

LEGISLATIVE COUNCIL.

Wednesday, July 25, 1951.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2 p.m. and read prayers.

LEAVE OF ABSENCE: HON. F. T. PERRY.

The Hon. Sir WALLACE SANDFORD moved—

That one month's leave of absence be granted to the Hon. F. T. Perry on account of his absence from Australia.

Motion carried.

ADDRESS IN REPLY.

Adjourned debate on the motion for the adoption of the Address in Reply.

(Continued from July 24. Page 61.)

The Hon. F. J. CONDON (Central No. 1—Leader of the Opposition)—There was keen disappointment two years ago when it was known that their Majesties the King and Queen would not visit Australia. Today our hopes are buoyed because of the continued improvement of His Majesty's health and his proposed visit to South Australia next year.

Their Majesties and Princess Margaret can be assured of a happy and loyal welcome from the people of South Australia.

Complimentary references were made yesterday to His Excellency the Governor and Lady Norrie by the mover of the motion. We are blessed to have such a happy couple and there will be regrets from the people of South Australia when the time arrives for them to depart. All South Australians recognize that they have been a valuable asset to the State.

I highly commend you, Mr. President, for your kindly action on the opening day of the session in referring to an incident which occurred on the final day of last session. It proves your spirit of fairness and honesty of purpose. I voice the opinion of members of the Opposition when I say that we greatly appreciate your action. Your statement was in reference to a dispute between the two Houses on a Bill which had passed the Council and was then amended by the House of Assembly. You said:—

In the light of this information, I am now satisfied that the ruling which I gave, although consistent with local precedent, was not in accordance with the practice of the House of Commons.

You asked that your ruling should not be taken as a precedent and said that you would not give such a decision again in similar circumstances. Honourable members know my

attitude regarding the Council. My Party stands for adult suffrage and I will not miss any opportunity in attempting to broaden the franchise of the Legislative Council. It is because I stand for constitutional methods and the upholding of the prestige and the rights of the Council that I again refer to this matter. Members of this Chamber are elected by only one-third of the people of the State, and therefore we cannot afford to interfere with the rights of the House of Assembly. This afternoon I will endeavour to vindicate the action taken by the Opposition in the Council last session. At the time the Chief Secretary was away in New Zealand. After you had given your ruling, Mr. President, a ruling which I admired, the Attorney-General moved that the House of Assembly be informed of your ruling. I opposed it on the grounds that it took away the rights of another place and I was supported by all my colleagues. Doubtless the matter was discussed by the Attorney-General with members of the legal fraternity in this Council for my friend, Mr. Cudmore, said he was taking part in the debate because it would be quoted from *Hansard* at some future date. I then asked whether you, Sir, ruled that this Council was supreme to another place, and you replied, "In this matter we shall see". Mr. Cudmore then moved the gag so as to prevent the Opposition from submitting its views. He was supported by the Conservative section of this Council in Sir Wallace Sandford, Messrs. Melrose and Jude, and lastly by another influential lawyer, Mr. Rowe. A division was taken and the majority of this place, by their vote, indicated that they thought that we, though in opposition, had some rights. We are not in opposition because a majority of the electors of this State think we should be, but because of an electoral system that is unfair and unreasonable.

The Hon. L. H. Densley—Is that correct?

The Hon. F. J. CONDON—Yes, and it has happened at more than one election. I am referring to these things because I realize that in this Council we have barristers and solicitors of high intellect who take up the attitude that they know everything and others nothing.

The Hon. A. J. Melrose—They are bush lawyers.

The Hon. F. J. CONDON—Then my honourable friend was wrong when he was acting as a bush lawyer that night. What took place between the Attorney-General and Mr. Cudmore can be left to the imagination, but the latter,

after referring to previous rulings, said "We do not want to stop here all next week," and then moved that the Assembly be informed of the position. Mr. Cudmore superseded the Attorney-General who had charge of the Bill in moving that the Committee's report be adopted, using the big stick to prevent other people from expressing their opinion. I am only saying now what I would say if the honourable gentleman were present. Later a message was received from the Assembly asking that its amendment be considered. The Attorney-General then moved, "That the Council insist on its decision that the amendment of the House of Assembly is outside the scope of the Bill and, therefore, cannot be considered." I moved that the ruling be disagreed with, and my colleague, Mr. Oates asked whether you had given further consideration to this matter. You, Sir, said you were quite sure of your ruling. I then moved that the Chairman's ruling be disagreed with. Then in came Mr. Rowe, fortified by legal knowledge, *Hansards* and books, and primed by my friend, and expressed his opinion. In doing so he chastised members of the Opposition and said it was wrong and improper to try to generate the feeling that an attempt was being made to usurp the powers that should be exercised by another place, and he concluded by saying that your ruling was correct.

By your good sense this matter was settled, but I wish to say again that, though we all like to be loyal to our principles, I hope none of us, through our sense of loyalty, will in future do an injustice to another member.

Australia has suffered sad losses recently in the passing of the late Prime Minister, the Right Hon. Ben Chifley and Sir Charles McCann. Mr. Chifley was one of Australia's greatest sons and Australia paid him a tribute after his death. Sir Charles McCann was a wonderful envoy for South Australia, and this Council has from time to time paid tribute to the wonderful service rendered by him to the Commonwealth as a whole, and to South Australia in particular while he occupied the important post of Agent-General for South Australia in London. I extend to the relatives of both the sincere sympathy of the members of the Opposition. May I be pardoned for referring to another gentleman who recently passed away, for I owe a great deal to him. I refer to the late Harry Jackson, who was at one time Speaker of the House of Assembly, and on another occasion Commissioner of Public Works in a South Australian Government. At the time of his death he was chair-

man of the Fire Brigades Board. He rendered valuable services to this State, both during his term in Parliament and after, and I felt it my duty to make some passing reference to a man who had performed such valuable work for this State. I support all that has been said regarding the absence of the Clerk of the Legislative Council. We all love Mr. Redman, who is an efficient officer, and I sincerely trust that his stay in hospital will be short and that he will soon return to his position at the head of the table.

We have been blessed with good rains lately. We had anxious moments about five weeks ago, but now the reservoirs are overflowing. That should give fresh heart to the people in view of the world's affairs being in an upside down condition.

It has been my privilege to listen to 27 Address in Reply debates. During that time the speeches of movers and seconders have been of a high standard. That standard was maintained by the Honourables J. L. S. Bice and E. H. Edmonds, who delivered well-balanced speeches importantly and in gentlemanly fashion. I congratulate them on their efforts. I would not be expected to support all their praise of the Government, but I am prepared to give credit where it is due. The Government has had a hard fight and, irrespective of what our opinions may be, as the Opposition we must try to make the legislation workable and, where possible, give every assistance. That does not prevent me from expressing constructive criticism in order that the Government may, in some directions, mend its ways.

Yesterday Mr. Edmonds referred to a conference called by the Prime Minister. He expressed the view that all parties should attend that conference in order to place the ship on an even keel. The Labor Party is the best judge of who should represent it and what it should do. A great deal can be achieved by a round table conference, but if a person attends that conference he should not be bound to its decisions before submitting them to those he represents. In spite of promises made by the Menzies Government, supported by members here, to put value back in the pound and reduce taxation, we find higher taxation looming.

The Hon. E. Anthony—Who said they would put value back into the pound?

The Hon. F. J. CONDON—The Prime Minister and his supporters. What a howling mess we find ourselves in today! The Labor Party has a responsibility, the same as any other

Party, to this country, and I am not prejudiced against a man who holds a different opinion to me.

Our most important problem today is the question of production coupled with the cost of living. It has been my privilege to appear before every Federal Arbitration judge since His Honour Mr. Justice Higgins, with the exception of the last appointee, His Honour Mr. Justice Wright. Further, I served as a Prices Regulation Commissioner for three years. I was appointed by the Vaughan Government and re-appointed by the Barwell Government, so I feel I am in a position to express an opinion on what should be considered. One opinion I have held for many years is that if a court is to fix wages then it should fix prices. Also there must be a court to limit profits. It should be one and the same body. I am not objecting to anyone with initiative who puts money into a concern. He is entitled to a fair return.

It has been urged that Government action should be taken to suspend wage increases in the belief that by doing so prices would be stabilized. Wage movements are not the main cause of increased prices, although productive costs may be due in part to increased wages. However, that is not the only aspect. The increased cost of labour through basic wage adjustments is much exaggerated by employers when they are endeavouring to justify increased charges. Prices are often raised when there has been no increase in wages. The decision to increase prices is sometimes made without the excuse of a basic wage adjustment.

Another factor in higher prices is the excessive and increasing cost of distribution, including expensive publicity, all of which is unproductive and wasteful and is paid for by the consumer. Private enterprise has done much for Australia and is entitled to be encouraged. I stand for State services, but hope I will never willingly do anything which will in any way interfere with the success of private enterprise. As the wages of the worker are fixed by the court, the worker should be protected from any unfair action taken by private enterprise or anyone else. The seller of goods can get higher prices comfortably in good times with or without price control. It is well known that trade organizations have agreements on prices and adopt certain methods to modify or avoid opposition. The trend towards tying up markets is growing, and the public must pay whatever is asked. No-one can compel the manufacturer or the

producer to sell if he does not want to. If one section of the community has to be controlled, all sections should be controlled.

The condition of the labour market is important. People getting regular work and receiving good wages can buy much more in volume than a few rich individuals. Every price rise, therefore, must not be attributed to wage increases; nor is it true that without basic wage adjustments prices would not rise. At various periods downward quarterly adjustments have been made, but in due course have been followed by upward price movements. These caused the basic wage to rise again. The recent increase of 13s. a week in the basic wage related to the quarter ended June 30, but since increases have occurred in prices of commodities which are used extensively, such as sugar and honey. The wage earner does not get the benefit of his increased wages immediately, and the position is not reflected until three months later. Many articles used daily are not considered when the basic wage is adjusted.

Very high prices in America have been accompanied by unparalleled productivity, but this has not prevented the value of the dollar from shrinking. On the basis of a dollar being worth 100 cents in 1939, it is worth only about half now, and its value is likely to continue falling. The South Australian cost of living has nearly doubled compared with the position before the war. The answer to that will be that wages have been increased. In the past quarter this State showed the greatest cost of living increase of any State in the Commonwealth. It cannot be expected, whatever Government is in power in the State, that it can deal effectively with price fixation without the co-operation of the other States. It is a matter for Federal control. The moment the price is fixed in South Australia for an article, no matter how good the intentions of the Government may be, it is sent interstate, where there can be no interference with it. The same position exists in the other States. If the authority in one of the other States denies a manufacturer what he thinks he should receive for his article, all he has to do is to send it to another State where he can get a higher price—often, unfortunately, on the black market.

The Hon. E. Anthony—Do you consider the control of prices is the solution of the problem?

The Hon. F. J. CONDON—Often the representatives of the workers have to appear before the Commonwealth Arbitration Court and after

fighting perhaps for six or nine months the men are awarded an increase of 6d. or 1s. a day; but the next day the manufacturer, by a stroke of the pen, can take away three times as much as the worker has received. That wants altering.

The Hon. L. H. Densley—Do you think the fixation of prices will do away with black marketing?

The Hon. F. J. CONDON—If it will not, legislation should be introduced to deal with the position.

The Hon. E. H. Edmonds—Don't you think that it is advisable that these views should be expressed at the conference called by the Prime Minister?

The Hon. F. J. CONDON—I have not been asked to attend. That is for others to say. For many years I have favoured the principle of round-table conferences for arriving at decisions on such matters.

Compared with the September quarter of 1939, the cost of living increased in Adelaide by 98 per cent up to last June. The price of clothing over that period has risen by 215 per cent, food by 107 per cent, and rent by six per cent. South Australia, with an overall increase of eight per cent was the highest, and Queensland with 5.6 per cent the lowest in Australia.

The Hon. E. H. Edmonds—What is the relation of wages to cost of production?

The Hon. F. J. CONDON—That is hard to judge, but I hope presently to reply to some statements regarding the shorter working week. Meanwhile I should like to amplify my remarks by saying that during the first 13 days of July, before the rise of 13s. in the basic wage was announced, the price of honey had risen 1½d. a pound, bread by ¼d. a 2 lb. loaf, sugar by 1½d. a pound, and barley by 9¼d. a bushel. Those are only five items out of the 13 for which the worker will get no benefit in the next quarterly adjustment. As I have said before, during the first 12 months of World War I, the cost of living increased by 28 per cent, but during that period not one person under any award received a penny increase in wages, and the workers have been chasing that 28 per cent ever since. Much has been said regarding the introduction of the shorter working week, but how many men work a 40-hour week today? In many industries they are working 44 and 48 hours, but according to some people one would think that everyone in the community was working only

40 hours a week. Consider the railwaymen and the tramwaymen. Do they not work much more than 40 hours a week? I know men who are not satisfied with one job but have two, and are making as much as £23 a week.

The Hon. E. Anthoney—The 40-hour week was introduced to give those men leisure.

The Hon. F. J. CONDON—That may be so, but I would not be a party to stopping any man from working more than 40 hours. The law says that if he works more he is to be paid for it, and he is. I have a letter in my pocket which I received yesterday in which I was asked whether, in my opinion, as the head of an organization, men are not working more than 40 hours. That industry is working three shifts, starting at midnight on Sunday and working round the clock until the following Saturday at midnight, and that applies in many other industries. Therefore, it is wrong for people to harp about the 40-hour week when so many are working longer. It would be better if public men exhibited a little more sympathy to the workers instead of damning them by making statements one day which they contradict the next. I refer to statements by a responsible Federal Minister which have been sent overseas about the slow turn round of ships. Once the damage is done it is hard to catch up with it. I am not denying that there may be room for improvement, but the most humble worker and the highest man in the land have a responsibility to this State and this Commonwealth, and I shall not stand here without entering some protest against irresponsible statements made by men who should know better, which damage this country. I know the position as well as most. I have been in five States during the past few months and have been observant. I say that the men at Port Adelaide have nothing to learn from the other States and that their work is more productive than that of men anywhere else. I have noticed a statement by a representative of Fricker & Co. Ltd., shipping agents, which appeared in the *Advertiser* recently, as follows:—

Ships come to Port Adelaide to be fitted out because local workmen were recognized as being amongst the best in Australia, a spokesman for the Port Adelaide shipping agents, Fricker & Co. Ltd., said on July 19. Though work at Port Adelaide was always fast this would be a further reduction on the usual period of seven to eight days.

We have done a good job in South Australia and we must not forget that we have made very fast progress as a State.

The Hon. E. Anthoney—Too fast, I think.

The Hon. F. J. CONDON—Exactly. We have expected too much, and we ought to be proud of our workers instead of criticizing them and looking for scapegoats. Despite all the criticism of lack of production it will be found that in almost any line of production output and exports have increased more than one might be led to believe. South Australia has made, I think, more progress than any other State, but I do not give all the credit to the Government, though I am not saying that we have a bad Government. I do say, however, that every member of Parliament can take a certain amount of credit for what has been accomplished. When members feel inclined to be critical they should pause a moment to think, and say, "Thank goodness we have progressed as much as we have."

Some may try to pull the wool over our eyes and say, "Business is going to the dogs," "The State is falling back," but I do not think anyone has been suffering to any great extent. I want to place on record a few figures in reply to the statements which are being made to mislead the people. These figures are taken from the *Advertiser* of July 7, 1951, under the heading "Prosperous Year for Business," and show that profits on shareholders funds have been as follows:—

	1939.	1950.
	%	%
Primary production	6.0	17.0
Manufacturing	8.5	8.1
Distribution	7.1	11.1
Wholesale	5.6	10.6
Retail	7.8	11.3
Finance	4.7	7.1

Manufacturing as a group is also finding its funds earning less than before the war (8.1 per cent), despite record profits by many companies. My point is that, despite what has been said, there has been increased profit in nearly every instance. There are companies in Australia doing a great job and helping to build up the Commonwealth. I have nothing to say against them, for they are an asset to Australia. All I want is to see that the people are protected by Constitutional means, through Acts of Parliament, and not by disruptive methods. I would not be one to take away the weapon of direct action from anybody, nor would I agree to being told by the Prime Minister what I have to do as an officer of a union. I have always endeavoured to fight for freedom and against the people who wish to take away my liberty.

Reference has been made to the housing position, and I compliment everyone respon-

sible. The Housing Trust officials and the Government have done a good job, but it is to be regretted that there are thousands of people still looking for homes. We cannot expect to do the impossible. If we were slipping back year after year and producing less and less, there would be some reason to complain, but we find that in 1950-51, 6,800 homes were built, a figure exceeding considerably previous years. It is a tremendous job. I know people who have been seeking homes since 1945 and every day I receive letters from them. We are importing structures from other parts of the world but have been attempting too much in too short a time.

Criticism is made of the slow turn around of ships but every time a man is placed on the waterfront another industry suffers. Before criticizing waterside workers we should ascertain the amount of cargo handled this year as compared with last year. In spite of what has been said, last year Port Adelaide handled a tonnage of 3,509,744 tons or 245,169 tons in excess of the previous year. The income of £1,050,742 was a record and was an increase of £111,945 over the previous year. The capital invested in the undertaking is over £8,500,000 and excluding capital debt charges of £315,000 from the total expenditure the return was over 5 per cent. The net return after meeting interest and sinking fund contributions was 1.74 per cent.

The Harbors Board would do well to close some of the outports. Those jetties which do not handle cargo are a burden to the State. Port Adelaide earned a surplus of £186,664, Port Pirie £22,623, Port Lincoln £18,495, and Wallaroo £13,932. At the 19 Yorke Peninsula ports, excluding Wallaroo, there was a deficit at 13. The same applies to Kangaroo Island and Eyre Peninsula ports.

Prior to the last election we were promised relief from taxation, but in spite of those promises there is to an increased taxation. In 1914 taxation was £10 9s. 11d. a head but today it is £87. Independent of income tax there are other taxes which affect a person. The citizen who partakes of a glass of beer pays excise at the rate of 4s. 7d. a gallon. The smoker pays 5d. for every packet of cigarettes which cost 1s. 2d. If you attend the races you are taxed on your winnings. The Government reaped £352,000 from this source during the last seven months. If you have been thrifty and saved during your lifetime the Government will take a whack from

your savings after you die. In other words, you don't want to drink, smoke, go to the races, or die.

I cannot understand the Government asking the Public Works Standing Committee to treat references as urgent when there is no possibility of the works being started. Some of the works which have been recommended are:—New trunk water mains on Marion Road, Barton Vale primary school, Port Pirie Hospital extensions, new pumping plant at Berri, development of Port Adelaide, Mile End diesel-electric locomotive depot, duplication of the Nangwarry case mill, Findon primary school, Osborne coal handling plant extension, new primary schools, purchase of photogrammetric equipment, new primary school at Mount Gambier, Ardrossan bulk wheat bin, new high schools at Naracoorte, Currie Street cargo shed extension, Royal Adelaide Hospital (Northfield wards) extensions, and Renmark school.

The Hon. E. Anthony—Are any of those works being proceeded with.

The Hon. F. J. CONDON—Yes. Schools are important and should receive a priority. There are works which have no possible chance of being proceeded with.

The Hon. Sir Wallace Sandford—The 40 hour week operates against them.

The Hon. F. J. CONDON—The 40 hour week increases production.

The Hon. E. Anthony—How many other references are there?

The Hon. F. J. CONDON—The estimated cost of works now before the Public Works Standing Committee is £44,000,000, which includes a large amount for Harbors Board development for many years ahead. Some works which were recommended by the committee 18 months ago, although considered urgent, have not yet been commenced. The references before the committee are too numerous to list but include the Renmark infant school, Glanville dockyard improvements, extensions to the Light Square Produce Depot, hundred of Shannon water supply, hundred of Goode water supply, LeFevre Peninsula water supply, Salisbury North primary school, Whyalla West primary school, and about 20 others. It will not be possible to have 25 per cent of those works completed in the next 10 years. We are getting ahead of ourselves and going too fast.

The Hon. R. J. Rudall—Can you tell me if any of these schools are not wanted?

The Hon. F. J. CONDON—They are all wanted. Hospitals and schools should be given

priority. However, when a work is approved, the people expect it to be proceeded with. Because so many works have been approved it will be impossible for them all to be completed for many years. I thank honourable members for listening to me so patiently. I have endeavoured to put the views of the Labor Party, and I hope the Government will take notice of what I have said.

The Hon. E. ANTHONY (Central No. 2)—I have much pleasure in congratulating the mover and the seconder of the motion for the adoption of the Address in Reply for two very good speeches. I also congratulate the Leader of the Opposition for a particularly solid and analytical speech. He usually gives us something very good, and this afternoon has not disappointed us. I also join with honourable members in hoping that the health of His Majesty the King will have been sufficiently restored to enable him to make the promised visit to Australia next year with the Queen and Princess Margaret. Undoubtedly, they will get a very warm welcome. We all know of the tremendous burden the Royal Family carried during the war years and the wonderful example they set to the people of Commonwealth countries and the world generally.

The death of Sir Charles McCann, Agent-General for South Australia in London, is to be regretted. I saw him when I was in England at the beginning of the year, and as usual he was most courteous and did everything he could for the many South Australian visitors who called upon him at South Australia House. His loss will be felt by the State for some time. He had an excellent grip of agricultural matters, and with his tact and pleasing personality made a great impression upon the English people. He was certainly a personality in London and was highly respected. It is a pity that a successor has not been appointed. The work is being efficiently carried out by the Acting Trade Commissioner, Mr. Greenham, and his staff. Mr. Greenham has been working at high pressure during recent months. With the many visitors to South Australia House, interviews are necessary and searches are made for information. This takes up much of the time of officers. In considering the appointment of another Agent-General, the Government should have in mind separating that office from the position of Trade Commissioner. Much social work is involved for the Agent-General and this takes up considerable time and it has been

necessary for Mr. Greenham to take work home practically every night. No-one should be expected to do that.

The Agent-General's office is a most important one, and from my study of the position in London I would say that the South Australian Agent-General's office is one of the most efficient in London. There is always an attractive display in the South Australian window, and in passing the office one would know that something was going on. That cannot be said of the offices of the other State Governments. Because the various State offices are scattered around the city it seems to me an immense waste of effort and money. The English people regard Australia as a federated country and do not understand the need for all these offices with an Agent-General for each State. That is not the position with such countries as Canada and South Africa. Australia cannot afford the expense of that kind of thing. For instance, at Australia House there are 1,000 employees. In the High Commissioner's office there are no fewer than 318, there are nearly 300 dealing with migration, and there are 86 agencies of the Commonwealth Government scattered around London. Each department has its representative office. It is not an economic set-up for a country like Australia with only 8,000,000 people. The expense of the High Commissioner's office in the United Kingdom is £500,000 a year. There must be much overlapping and lack of co-ordination. This is a matter which the Premiers might consider at their conferences to see if some amalgamation of these offices might be made in the interests of the taxpayers.

While the South Australian Public Service Commissioner is in London he might be asked by the Government to investigate the South Australian office with a view to improving its operations. I am not saying that the duties are not efficiently carried out; they are. However, in an important office like this, an investigation by the Public Service Commissioner might be a good thing. While in London I never before saw so many Government officers running about enquiring into numerous matters. Quite a number are engaged on the question of migration. There, again, there is a lack of co-ordination. Only a certain number of migrants are available in Europe, but Government representatives from the various States are competing for them. I saw an advertisement in a London paper to the effect that two members of the Melbourne Tramways Trust were seeking migrants. They

were offering £20 a week for bus drivers, in addition to which they promised lavish accommodation. It seems fantastic that such an advertisement could be inserted. Although the trust may be able to offer £20 a week, where can it get lavish accommodation? That kind of thing is misleading and is inducing people to come out here under false pretences. I met a number of people coming to Australia who had been offered first class passages on the boat, and some told me that they and their wives and children were to be accommodated at leading Melbourne hotels free of cost for 12 months. Positions were to be found for them. Australia cannot afford such luxury. As the Leader of the Opposition said, we are living beyond our means. If these people do not like the positions allotted to them, they will return to England.

The Hon. A. L. McEwin—Would you say that that was general?

The Hon. E. ANTHONY—No. I did not enquire very far into the position, but found that out without much delving. When we are talking about inflation, I would say that the Commonwealth Government is really the greatest inflationary agent I know. I could give other examples to prove it. I hope that everyone invited by the Prime Minister to the conference to consider this serious matter of inflation will forget Party politics. Whether we like it or not, in my considered opinion after observation and reading whilst abroad, it will not be a question of whether we work 40 hours a week or 48; we will have to work in order to live. I feel that when the full volume of European production comes on to the world's market Australia will have to consider just how much she can afford, and how hard she is prepared to work. Already Japanese goods are appearing on our markets, as well as some products of Western Germany. No doubt they will be followed by exports from other countries as they re-establish their industries.

I notice by the Auditor-General's report that our State's expenditure has gone up by £4,500,000 since last year, and by nearly £8,000,000 since 1939. Those are big figures. They are all more or less inflationary, and we must get back to a basis of sound economy. I thought the article by Professor Karmel in Saturday's paper was very sound. It contained the simple economic truth that we cannot get more out of a pint bottle than we put into it, which is what we are trying to do; we are all competing for the same amount of labour. Too much of it is being brought from the

country into the capital cities. We ought to be building more houses in the country if we want to attract labour into rural pursuits. If we cannot do it primary production must fall. If it does—and we are already beginning to notice it—it is a bad outlook for Australia, for we shall be short of food, and what we have will be very costly. The Government's policy should be to call off its programme of building so many houses around the metropolitan area.

The Hon. E. A. Oates—Do you say that seriously?

The Hon. E. ANTHONY—I do. Without detracting one iota from the good work of the Housing Trust, I say that it has taken some of the best arable land around Marion at very high prices for the purpose of erecting houses on it; that land is capable of very intense production. In passing I might also refer to the land taken at Salisbury for the same purpose; another lovely piece of agricultural country. I should say that within half a mile of the land acquired at Marion there is land much more suitable and cheaper for housing. I would like to see the Housing Trust prevented from making further inroads into these valuable areas and directed to erect more houses in the country. If rural production falls off because of the lack of labour in the country it will be a serious matter. Every farmer wants more hands but cannot get them because he cannot accommodate them properly. Every industry brought into the metropolitan area involves further public services—waterworks, schools, roads, police, hospitals, and so forth, whereas in rural districts there is not that direct necessity for the expenditure of public money.

In conclusion I wish well of the Prime Minister's attempt to bring all sections of the community together to discuss the important matter of inflation. It is not a Party matter, but one which concerns everyone of us. If this inflationary spiral is not checked we may be caught up in the full flood of such an inflationary tide as members have read of in other countries. I hope that they never learn of it from their own experience, but if it comes about it could well mean that all their material possessions were not worth a flick of the finger. We have seen what has happened in other countries; it could well happen here, so I hope that all Parties will rally around the Prime Minister, regardless of political creed, and give him every contribution they can make towards solving this serious problem. I have much pleasure in supporting the motion.

The Hon. C. D. ROWE (Midland)—I wish to join with others in congratulating the mover and seconder on their speeches. I realize that for the mover particularly it is a difficult matter to open the debate when no-one else has spoken, and I wish therefore to compliment both on their efforts yesterday. I also wish to associate myself with the expressions of pleasure in the approaching visit of members of the Royal Family to this country. I know they will be well received and treated in a proper manner. I also express my sincere regret at the passing of prominent men who have died recently, and endorse the remarks of others concerning the services they rendered to this country. I extend to their relatives my sincere sympathy.

This is the Jubilee Year of the Commonwealth of Australia and last year, in my remarks on the Address in Reply, I made some comments in regard to the way the Federation of the Australian States has worked. I said there seemed to have been a tendency for the States to become more and more dependent on the Federal Government; in other words, a tendency to move away from the truly Federal set-up to what must be regarded as more a state of unification. I think I said that the people of this country have not favoured that development. Their general attitude has been to have as much power as possible retained in the hands of State Governments. Of the 22 referenda held, on only four occasions have the people been prepared to concede further powers to the Commonwealth Government. However, on the legislative side the Commonwealth Government has attempted to broaden its influence in ways not intended at the time of the founding of the Commonwealth. For instance—and I think I mentioned these aspects last year—the Commonwealth has no power to control the manufacture of goods, but it has power over trade and commerce, and by the exercise of that power it has imposed conditions upon the way in which certain goods can be manufactured, and by so doing it has trespassed on the power of manufacture. Similarly, it has no power to legislate on industrial conditions as such, but it has used its power of conciliation and arbitration to trespass into the industrial field. It has made loans to the States for the construction of roads, and attached conditions requiring that certain types of roads shall be constructed, thereby going beyond the intentions of the framers of the Constitution.

Side by side with that development there have been interpretations by the High Court

of the Constitution itself. There is no doubt that the framers of the Constitution intended that the States should be left as completely sovereign bodies, and that the Commonwealth should be interested only in such matters as customs and excise, defence and external affairs. The framers, particularly Sir Edward Braddon, went to particular pains to see that these basic ideas were retained, for he was instrumental in having written into the Constitution what became known as "The Braddon Blot," namely, sections 87 to 89, the effect of which was that for the first 10 years of its life the Commonwealth was to return all its surplus revenue to the States. They expected that the Commonwealth would live by means of its indirect taxation, notably customs and excise, and therefore the whole of sections 87 to 102 dealt with that form of taxation. At that stage they did not envisage that the Commonwealth would enter the whole field of taxation and take over the power that goes with it as it has done. Apparently the only member of those original Conventions who foresaw that the Commonwealth's power might be extended was Mr. Deakin. He realized, apparently, that as the Commonwealth had control of the note issue it also had financial control of the country. That period covered the time up to when the Constitution was founded.

The second period in connection with the interpretation of the Commonwealth Constitution was from 1901 to 1920. During that time the Justices of the High Court, Chief Justice Griffiths, Justice Barton, and Justice O'Connor had the interpretation in their hands and, as the Australian Constitution followed the American Constitution more closely than any other, they looked to American decisions to help them in their interpretations, and they set up what we now call the doctrine of immunity of instrumentalities. By that they meant that the States and the Commonwealth were each supreme in their respective spheres, so in that period, in the main, the court interpreted the Constitution in the way the framers intended. Then we come to the period 1920-1945, when we find that Judges were appointed to the High Court who took a different view. In effect, their idea was that the Commonwealth could bring within its power anything which could reasonably be brought within the 39 placita enumerated in the Constitution. Their view was that the Commonwealth could exercise the power granted by these placita to the limit, even though it might destroy, to some extent, the State powers.

During the next period from 1945 to the present there seems to be a swinging back to the original contention of the judges of the High Court. The present position appears to be stated in full in the judgment in the case of the Corporation of the City of Melbourne v. The Commonwealth where it was stated, in effect, that the system is a Federal system and anything which entrenches upon that Federal contract so as to make either party to it less able to perform its functions is unconstitutional. It seems that the framers of the Constitution in the first instance were correct and that we can control things better from a State than from a Federal point of view. My hope is that whatever the history of the last 50 years has been, in future as State Parliamentarians we will retain our rights to the limit and exercise as much power as we can to restrain, as far as possible, the Commonwealth from extending its powers. The differences of opinion of various judges of the High Court regarding the interpretation of our Constitution illustrate the important point that the law is not an exact science. With mathematics or physics you are dealing with exact sciences and can give a decided opinion upon any matter. With law you are outside the realm of exact science and into a science which is inexact and which will always allow of two opinions. I mention that because Mr. Condon referred to opinions given in this House concerning the President's ruling at the end of last session. Too much importance was attached to that matter and Mr. Condon attempted to make a mountain out of what was obviously a molehill. If you assembled the best legal men in the Commonwealth, as has been done in connection with important cases before the High Court, and asked their opinion on any matter, differences of opinion would exist among them and their opinions would be supported by weighty arguments. I think that is the position in the case referred to by Mr. Condon. Those of us who expressed opinions one way thought we were correct. No doubt those who expressed opposite opinions felt the same. It was a matter open to differences of opinion and what was said by the various legal members of the Chamber was without extensive preparation and more or less on the spur of the moment, whereas I have known instances where very learned legal men have given opinions after extensive opportunities for research and have eventually been told by the High Court that they were wrong. The best illustration I can give is the attempt made under the direction

of the learned Dr. Evatt to nationalize the banks of this country. It is interesting to note that the legal members of this Chamber are not the only people who sometimes err in these matters.

Last session two matters which were most important and caused anxiety were the Building Materials Act and the Landlord and Tenant (Control of Rents) Act.

In dealing with the Building Materials Act I have come to the conclusion that a large majority of people in this State do not know the provisions of the Act, nor what is required of them under the Act. That is because of various amendments to which no great publicity has been given. A service could be rendered to the community if something similar to the report which the Housing Trust makes periodically was published. In the course of my practice I have found common misconceptions regarding certain matters. I have encountered people who believe it is perfectly in order for them to put down foundations of the particular size for the house which they ultimately propose to build, providing they build only 1,250 square feet at first. I have known of men being prosecuted for putting down foundations beyond the 1,250 square feet. They did not realize they were going outside the terms provided by the Act. Their attitude has been that it is wise to put down the whole of the foundation so as to avoid the possibility of cracks occurring in the building later. The Act provides that foundations must be limited to the area which they are permitted to build. Another misconception is that people believe they can build what they like as long as they use imported materials. That seems to point to a fundamental misconception of the Act which, as I understand it, can be divided into two parts. One part deals with the use and the other with the sale of materials.

In the main, the Act says what you can use materials for, but there is little said about control of people who sell materials; beyond a direction which is given by the Building Materials Office to vendors of materials that they must deliver their materials in order of priorities held. They cannot sell any material to a person without a priority while they hold a priority for that material. Beyond that there is no control whatever on the sale of materials. There is control of the use of materials and an opinion persisting among a body of people that if they can get a material—cement in particular—they are at liberty to use it for whatever purpose they

desire. I know men who possessed materials before controls were imposed and they believe that because they have accumulated them for a particular purpose they are within the law in using them for whatever structures they like, but that is not the case. Another misconception is that once a building is completed one must wait for 12 months before adding to it. The Act provides that up to £150 a year can be spent on additions or alterations to any completed structure. Last year when the Act was amended the provision for 12 months' waiting time was deleted and it is now possible to spend £150 in additions or alterations as soon as the structure is completed.

Another important point is that the Act stipulates that the exterior measurements of the foundation of a building shall be taken as the area of a house. That is unfair, particularly where country people may use limestone or other natural stone. If a person uses limestone and builds 14in. walls the interior measurement of his completed residence is that much less than if he built a fabric construction with 5 or 6in. walls. It would be better to take the internal measurement. At present the Act encourages the use of prefabricated and other materials which may be in short supply as against the use of natural stone because with the latter the area of walls is greater.

Another feature which should be considered is that nobody can build a house for investment purposes at present and a permit can only be obtained to build a house for personal occupation, or, in the case of a primary producer, if it is desired to erect a house for an employee on the property. That difficulty is being surmounted by builders who erect houses and obtain a permit from someone who has a permit and who goes into the house. The object of this Act should be to provide as many houses as possible and some way should be devised whereby a person who can build for investment purposes should be permitted to do so. Those are matters which should be given consideration when the Act comes before us for further amendment this year.

Although the demand for building materials is still great, steps taken by the Government indicate an improvement in the position. Cement is our biggest difficulty, but towards the end of this year the Brighton Cement Co. plant at Angaston will be in operation and will produce approximately another 36,000 tons a year. Late in 1952 or early in 1953 the Portland Cement Co. will be in production and

when operating at full strength will boost the production of cement in this State to approximately 250,000 tons a year as compared with 100,000 tons at present. It would appear that towards the end of next year the production of cement will be such as to enable reasonable demands to be met.

Another commodity which worries us considerably is bricks. The possibilities there are not quite so bright. In 1946 South Australia was producing about 28,000,000 bricks a year; that figure has now been built up to about 44,000,000. I understand that with Government assistance two firms are now expanding their plants, and when they get into production the number of bricks will be increased by about 180,000 a week, plus a further 50,000 if the necessary manpower is available. Although that output possibly will not meet requirements, it will certainly improve the position.

It appears that a good job is being done in the production of cement tiles. Some manufacturers are prepared to give a guarantee of 12 months and others two years for the roofs they erect. These tiles are helping the position considerably. A few days ago I received a complaint that in a certain company's yard in Adelaide there were stacks of terra-cotta tiles which were not to be released. I understand a direction has been given that these tiles are not to be made available for country areas because they have to be fixed by skilled men. If these men were sent to fix them on country homes they would roof fewer houses in a given time than if the houses were in the metropolitan area. I understand these tiles have accumulated because there are insufficient men qualified to fix them, and not because of over-production. Last year 6,800 houses were built in South Australia, an increase of 38 per cent on the previous year. With the advance in the number of bricks and tiles available, and taking into account the improvement in the housing position, it would appear that we are getting to the stage where we can expect some relaxation of controls of essential materials. I know there are commercial buildings, hospitals and schools waiting to be constructed. I understand that about 250 houses have been built at Albert Park which will house about 900 children of school-going age. Therefore, the erection of these homes creates a demand in that area for a new school. I am hopeful that because of the satisfactory efforts made by the Government some further relaxation in building materials will result.

Another Act which caused considerable trouble last session was the Landlord and Tenant (Control of Rents) Act. The particular section I have in mind is section 26ao, which refers to the right of an ex-serviceman to apply for occupation of a house which is vacant or about to become vacant. My experience is that this section has operated differently from what Parliament intended. The position seems to resolve itself into this—an ex-serviceman is living in a house as a tenant and wishes to move into a house he has built, one offered by the Housing Trust, or some other rented quarters. He knows, and he is the only person who knows, exactly when the other accommodation will be available. He tells another returned soldier that he is to vacate the premises in a few days and that they will be vacant if he desires to get possession, and advises him to see the landlord. This happened with one of my clients—one man moved out of the house in the morning and in the afternoon an ex-serviceman presented himself to the landlady and said "I understand that this house is vacant. Have you made any arrangements to re-let it?" The owner answered in the negative and the man then said, "Here is a notice under section 26ao of the Act. I am an ex-serviceman with the necessary qualifications and I require your house, and I am pleased to know that you have not arranged to let it to anyone else." The Act provides that even after a landlord has been served with such a notice, he can, right up to the time of the hearing of the action, make an arrangement with another ex-serviceman. I feel that this law is having an unfortunate effect, and is reacting to the detriment of ex-servicemen. In this particular case I have advised the landlady that the proper course to adopt in future is not to let the flat to anyone if she wants to be sure not to be worried with that kind of thing again. I can give numerous instances of people refusing to let accommodation which they otherwise would let because they fear they will get in as a tenant someone who is not acceptable to them, or will not be able to get possession of their property when they require it. Owners have been put to the expense of engaging counsel to represent them at the hearings, and I feel it is an unfair imposition on them. I hope consideration will be given to that section when the Act comes before us again.

There is another curious anomaly in the Act. Although section 26ao provides an opportunity for an ex-serviceman to get into a vacant

house, there is no corresponding section giving an ex-serviceman who is the owner of a house preference of possession as against a tenant. If we are to give an ex-serviceman priority in getting possession of a house belonging to someone else, logically we should give him the same priority in getting possession of his own house. On the evidence I have, the sooner we can dispense with the present control the better. I know that we could not expect that as from any particular date, say, September 30, all controls should cease, but we might consider the advisability of including in the Act a provision along these lines—that tenants at present in occupation of a house will be protected, but that where a tenant goes out and a new tenancy is created there will be no protection as regards occupancy. That would mean that anyone who let a person into a house would know that the arrangement made was binding on both the landlord and the tenant. I could give instances of clients who would be prepared to let a portion of their house to tenants if they knew that at the end of the period of the arrangement they could be certain of getting possession of their property. We could thus terminate this control in regard to occupancy without creating any hardships, or doing anything which would be unfair to people at present protected.

The figures regarding rent quoted by the Leader of the Opposition speak eloquently for themselves. He mentioned that since 1939 the cost of clothing had increased by 215 per cent and food by 107 per cent, whereas rent had increased by only 6 per cent. I cannot see that it is fair that landlords should be compelled to accept only such a slight increase. In many instances these people have only meagre means, and because of their past frugality are relieving the Commonwealth Government of having to pay them the old age or the invalid pension. Often they have little to manage on, and yet their return has been increased by only 6 per cent. I think the position calls for serious consideration.

When speaking last year on the question of a wheat silo at Ardrossan, I mentioned that in May, 1950, I had arranged a meeting at Maitland which was attended by Mr. Coleman, the growers' representative on the Australian Barley Board, Mr. Chapman, the growers' representative on the Wheat Board, Mr. Nicholls, president of the Wheatgrowers' Federation, and other interested people, including the agent representatives at Ardrossan. Following that meeting, a request was made to the Wheat

Board and the other responsible authorities that consideration be given to the project. It was referred to the Public Works Standing Committee for urgent report, and was approved by it. The Wheat Board is on the point of going ahead with the construction of the silo. I understand that certain poles required for it are expected from Victoria within the next week or so and that, subject to the usual difficulties experienced in any construction work these days, the job will proceed as quickly as possible. However, it would appear doubtful whether it will be in operation this year. It is pleasing to note that the original plan has been considerably altered and that the structure will be one of the most modern of its kind, and may be the forerunner of similar installations in South Australia if bulk handling becomes generally established. Although not constructed of concrete, it will afford the same facilities as concrete silos, in that provision will be made for wheat to be turned in it, if and when that becomes necessary. Its establishment will be very satisfactory to the people of Yorke Peninsula and will, in a measure, get over the unfortunate difficulties experienced in recent years in removing wheat and barley from the various Peninsula ports. It is most displeasing to see wheat carted from the southern end of Yorke Peninsula over our main highways to Wallaroo and other places, involving additional expense and causing serious wear on our roads, when the logical thing to do is to cart the wheat from the farm direct to the port from which it is to be shipped. Apart from the reasons I have mentioned, it is pleasing, too, that the project is to be proceeded with, in view of the serious problem involved in cornsacks.

The Hon. R. R. Wilson—Will that silo receive wheat from all over Yorke Peninsula?

The Hon. C. D. ROWE—“All over Yorke Peninsula” is a loose term. I imagine that large quantities will still go to Moonta. How much will go from other ports will depend on what shipping arrangements can be made at those ports. It is becoming increasingly difficult to secure ketches and the quantity which will go to Ardrossan will therefore be determined by these other factors. Undoubtedly it will attract a large volume. I understand that the supplies of cornsacks we expect from India are coming forward and that, although we will not have any surplus, we will probably have sufficient to meet our own requirements, although at greatly increased cost. Taking a long-term view I feel that, the international situation being

what it is, we will have a headache each year in wondering whether adequate numbers of cornsacks will be received. Therefore, where it is economically possible, it is advisable to institute bulk handling.

The Hon. F. J. Condon—That depends on the cost.

The Hon. C. D. ROWE—Entirely. Costs are the governing factor, but there is one proviso which should be made, namely, that if we cannot secure cornsacks we must adopt the other method despite the cost.

No doubt this year we will again have to consider some further amendments to the Road Traffic Act. One thing which has been brought to my notice which calls for some consideration is the number of excessively heavy freight vehicles using our arterial roads which are of a tare and gross load weight far in excess of what the roads were constructed to carry. I frequently travel over the main bitumen road on Yorke Peninsula and I see the damage which has been done in a short period by one or two particularly heavy trucks with a gross weight of more than 25 tons. We should control the weight of vehicles permitted to travel on specific highways to ensure that they are not unduly damaged. We should also control the speed at which those vehicles are driven.

The Hon. N. L. Jude—What you mean is that we should police the Act.

The Hon. C. D. ROWE—I am indebted for that correction, but we should also examine the Act to ensure that it gives adequate protection against these people who, while making a good living out of their business, are not only damaging valuable roads, but thereby tying up in repair work men who should be making developmental roads elsewhere. The honourable member's interjection was particularly apt, for if the necessary inspectors were

placed on some of the roads on which I travel their time would be more than occupied in detecting serious breaches, not only in respect of speed, but with regard to adequate lighting and other matters.

The Hon. F. J. Condon—Is that interstate traffic?

The Hon. C. D. ROWE—Not on the roads to which I refer, but I assume the same thing applies, possibly to a greater degree, on other roads. I am pleased to have this opportunity to deal with subjects which I feel are of importance, and my final remark is this: It does appear to me that too many are inclined to overlook the heritage we have obtained by being members of a British democracy. I think we have not a sufficient knowledge of the history of these democracies over the centuries. We fail to appreciate the increasing benefits which have been bestowed upon us, and too many are inclined to think that we could better our position by looking to other systems and other forms, instead of trying to make our present system work more satisfactorily and harmoniously. I am a great believer in democracy. I believe that the way in which it has worked has given its people greater freedom and happiness than any other system the world has ever seen, and our efforts should be bent towards bettering that system rather than trying to inculcate in this land principles in evidence in other parts of the world, which would be retrograde steps as far as we are concerned.

The Hon. R. R. WILSON secured the adjournment of the debate.

ADJOURNMENT.

At 4.24 p.m. the Council adjourned until Thursday, July 26, at 2 p.m.