

**LEGISLATIVE COUNCIL.**

Thursday, November 19, 1953.

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

**QUESTION.****METROPOLITAN MILK SUPPLIES.**

The Hon. F. J. CONDON—It has been reported that the Metropolitan Milk Board desires to gain full control of milk supplies in the metropolitan area and has approached the Government on the matter. The Metropolitan County Board is objecting to the proposal. Does the Government intend introducing legislation this session to hand over control of metropolitan milk supplies to the Milk Board?

The Hon. A. L. McEWIN—This question arose as a result of difficulty concerning solids not fat in milk. Representatives of the industry have informed me that during some months it is difficult to maintain the percentage of, I think, 8.5 solids not fat. There have been prosecutions and it has been suggested that control of milk supplies should be transferred to the Metropolitan Milk Board which would endeavour to establish some other standard which would be convenient and practical from the point of view of the industry. I have not been directly approached about what has been mentioned in the press, but I believe the Metropolitan County Board wishes to wait on me to state its case. I understand there would be some difficulty in regard to the Food and Drugs Act in lowering the standard, because solids not fats contain proteins which have some food value. I will be prepared to listen to any submissions by the Metropolitan County Board and report to the Government but the question of introducing legislation has not been considered by the Government.

**DA COSTA SAMARITAN FUND (INCORPORATION OF TRUSTEES) BILL.**

The Hon. R. J. RUDALL (Attorney-General) brought up the report of the Select Committee, together with minutes of proceedings and evidence.

Ordered to be printed.

**TRUSTEE ACT AMENDMENT BILL.**

Read a third time and passed.

**PORT BROUGHTON RAILWAY (DISCONTINUANCE) BILL.**

Read a third time and passed.

**PUBLIC SERVICE ACT AMENDMENT BILL.**

Read a third time and passed.

**ROAD TRAFFIC ACT AMENDMENT BILL (FEES).**

Second reading.

The Hon. A. L. McEWIN (Chief Secretary)—I move—

That this Bill be now read a second time.

The amendments proposed are all of a financial nature and are designed to secure more adequate revenues for the maintenance and construction of roads in accordance with modern requirements. For many years it has been the practice to earmark all forms of State levies upon motor vehicles and drivers for expenditure upon roads. A first charge upon this revenue is of course, the cost of collection, but the whole of the remainder is used for road purposes—that is, construction and maintenance of roads and interest and sinking fund payments on road loans and the administration of the Highways Department. Also there is payable to the Highways Fund for road purposes the whole of the amount received from the Commonwealth as this State's share of the petrol tax. This financial year the Government expects to receive about £1,675,000 from this source. The Commonwealth levies 10d. a gallon on imported petrol and 8½d. a gallon on locally refined petrol, and from its receipts it pays to the States for road purposes 6d. a gallon on imported petrol and 3½d. a gallon on locally refined petrol. The allocation of this money between the States is determined by the Commonwealth, having regard broadly to needs. The present arrangement with the Commonwealth runs until June 30, 1955, and although the State Premiers have asked the Commonwealth to earmark for road purposes an increased proportion of petrol tax receipts, there seems no immediate likelihood of increased revenue from this source.

Except for the abolition in 1948 of the war-time reduction of 25 per cent there has been no substantial variation in motor vehicle taxation in this State since 1929. Since that time, of course, the revenues have increased correspondingly with the increased number of vehicles registered. Until the recent post-war inflation the increase in revenues kept up fairly well with the increases in road requirements, but now the increased costs of labour, plant, and materials have far outstripped available revenues. These increased costs, coupled with shortages of plant and labour during and after the war, have caused a serious deficiency in maintenance

of public highways, and most inadequate construction of new highways. Since 1939 the cost of roadmaking has increased by  $3\frac{1}{2}$  or 4 times. The price of motor vehicles has increased in much the same proportion and petrol is now twice as high; the basic wage is three times as high, and the general retail price level is  $2\frac{1}{2}$  times as high. However, the adjustments of taxes contemplated in this measure involve an average increase very much lower than these changes I have quoted; in fact, the average increase will be about two-thirds.

From present rates of motor taxation the Government would expect to receive this year about £1,550,000, after deducting costs of collection. This, together with £1,675,000 from the petrol tax, would make slightly less than £3,250,000 available for roads. Having regard to increased costs, this would fall short by about £1,250,000 of the sum necessary to achieve the amount of road work of 1951-52, which was our best year for work achieved on roads recently. Even so, that year can hardly be claimed to have kept fully abreast of requirements. In the increases proposed an endeavour has been made to supplement revenues sufficiently to achieve as much as in 1951-52. The yield expected in a full year from the increases proposed is about £1,100,000, though increasing registrations in subsequent years will doubtless add somewhat to this. During the last two years the Government supplemented the Highways Fund with £450,000 in loan money in 1951-52 and £360,000 in 1952-53, but this procedure cannot be continued. In the first place loan money can ill be spared from urgent developmental and capital projects, and in the second place, except for such a major improvement as a large bridge, it is not desirable to prejudice future finances by committing them to interest and repayment for present normal road work.

Fortunately, because of a number of happy circumstances, the Government found it practicable last year to set aside, out of general revenue, £620,000 for special road work. Of this £120,000 is earmarked for roads of access to war service land settlement areas, and £500,000 for developmental roads in country areas. These payments into the highways fund postponed for a little while the necessity for increasing motor tax rates; but such subsidies out of ordinary revenues towards roads clearly cannot be continued, and must be regarded as a fortunate but isolated occurrence. Apart entirely from the urgent necessity for providing additional funds for road

works, the Government points out that with recent adjustments in motor tax rates in other States, South Australia, as well as losing the funds for road works, may also be seriously prejudiced in its special grant recommended by the Grants Commission if it does not make what could be regarded as a reasonable effort, in comparison with other States, to help its own financial position.

In the proposal for adjustment in this Bill the main features are the following:—The fees for drivers' licences—at present 10s. for a general licence and 5s. to drive a motor cycle—will be doubled to £1 and 10s. respectively. In real value of money terms, and in proportion to the average man's income, this, of course, will still be less than pre-war. It is proposed to increase the registration of cars in all cases by less than 50 per cent. The increase on the smallest cars will be  $37\frac{1}{2}$  per cent and on the Australian-made Holden it will be nearly 45 per cent, *i.e.*, from £8 to £11 10s. a year. For commercial vehicles, on the other hand, which normally cause more wear, strain, and damage to the roads than do cars of equivalent power and weight, greater increases are proposed. The increase for the light commercial vehicle is 50 per cent and there is a rising scale of increases until for the heaviest of commercial vehicles the registration fee will be slightly more than doubled.

In addition, it is proposed to eliminate the present 10 per cent rebate on commercial vehicles of British origin. This concession was provided originally as a special Imperial preference to assist Great Britain. However, by reason of the establishment of branches of foreign undertakings for the manufacture and assembly of motor vehicles in British countries, this concession has lost its point. The appropriate British preference is provided adequately by the Commonwealth through tariffs, quotas and currency controls, and the concession in the registration fee will therefore be withdrawn. There are a few small fees which, because of the fall in the value of money, have become quite inadequate even to cover costs, and for these somewhat greater increases are proposed. The transfer fee of 2s. 6d. will be raised to 10s. and the fee for limited traders' plates from 10s. to £2. On the other hand, certain special charges will be left unchanged, or reduced. The registration and driving licence fees for invalid chairs will be eliminated, and such registration and licences provided without charge. Further provision is made so that the registration and driving licences at present paid by disabled ex-servicemen will not be

increased. Apart from the classes of vehicles to which I have referred specifically, the increases generally proposed are 50 per cent—for example, for motor cycles, trailers, etc. It is proposed to retain the existing rebate of 50 per cent on vehicles outside local government areas and on Kangaroo island, where there is available much more restricted use of first class highways. Also, it is proposed to retain the rebate on commercial vehicles used exclusively in primary production, as these normally make less use of public highways than other commercial vehicles.

The explanation of the clauses in their order is as follows: Clause 3 provides that the Bill will come into operation on January 1, 1954, with the exception of the provision relating to the registration of certain vehicles and mobile plant of the Renmark Irrigation Trust. This provision will come into operation as soon as the Bill receives His Excellency's assent. Clause 4 contains an amendment of the definition of "commercial motor vehicles." The only object of the amendment is to make the definition express more clearly the accepted interpretation. The expression "commercial motor vehicle" in the Road Traffic Act has always been interpreted as a vehicle suitable wholly or mainly for the carriage of goods, whether such suitability arises from the form of the vehicle as originally manufactured or from alterations made subsequently, as when a car is converted into a buckboard. Since the amount of the registration fee will, in future, depend on whether a vehicle is a commercial motor vehicle or not, it is desirable that there should be no doubt about the definition, and it is proposed to make it clear that vehicles, whether constructed or adapted wholly or mainly for the carriage of goods, are commercial motor vehicles within the meaning of the Bill.

Clause 5 sets out the new registration fees which I have already explained. It also provides for registering without fee vehicles and mobile plant owned by the Renmark Irrigation Trust and used wholly or mainly for the construction or maintenance of irrigation and drainage channels and other works. The Government has considered a special request from the trust in connection with these vehicles and plant, and is of opinion that they should be registered without fee in the same way as road-making plant and vehicles. Clause 6 repeals the time-expired provision relating to the registration fees for vehicles registered before September 1, 1948. Clauses 7 and 8 provide for the abolition of the 10 per cent

concession in registration fees for vehicles of British origin. Clause 9 deals with the concessional rate for the registration of vehicles used by incapacitated ex-servicemen for their personal transport. Under the present law these vehicles are registered at half fees and in order to avoid any increase it is now proposed to register them at one-third of the new rates. Clauses 10, 11, 12, and 14 give effect to the proposed increases in the fees for the transfer of registration, for the issue of general and limited traders' plates, and for drivers' licences. In addition, clause 14 provides that a licence to drive a motor-propelled invalid's chair will be granted without payment of any fee. Clause 13 repeals an expired provision relating to fees for traders' plates issued before September 1, 1948.

This Bill has become necessary because of the changed financial circumstances associated with money values and the need to bring our roads to a proper standard comparable with other States. However much we can achieve, with our considerably reduced income, we cannot do what our neighbouring States do. Consequently, it has been found necessary to introduce this legislation which has regard to sections of the community deserving special consideration, and is in every way a moderate approach to the problem. I commend the Bill to members.

The Hon. F. J. CONDON (Leader of the Opposition)—My reason for addressing myself to this Bill today is the desire of the Opposition to assist the Government to clear up the Notice Paper without long sittings towards the end of the session, because it would be wise for this Council to give early consideration to matters before it rather than being forced to sit at night to complete its business. If the Commonwealth Government had been more liberal to the States in the distribution of revenue received by it from petrol tax, it may not have been necessary to enact these steep increases in motor taxation. Although I have advocated in this and in other sessions the advisability of the Government giving closer consideration to increasing some charges, I have never suggested that motor taxation should be raised.

The Bill is designed to increase Government revenue necessary to improve our roads, but it is of no use raising taxation and spending it on roads if we are not going to protect them, so it is essential that strong measures be taken to prevent overloading. One reason why our roads are being cut up is that they were not constructed to carry the present heavy

loads, and if this position continues, particularly in regard to interstate traffic, we will need to impose still heavier taxation to meet maintenance charges. Many complaints have been received from municipal bodies about the state of highways and footpaths in their localities. These councils are called upon to find revenue for such works, but in many instances they are imposing rates up to the limit. Road making costs are appalling and will increase unless roads are protected. Many councils have applied for financial assistance but I do not know whether they will benefit from the increased revenue to be received as a result of this legislation. It is interesting to study the receipts of the Motor Vehicles Department, which in 1952-53 totalled £1,638,878. This total included registration fees on motor vehicles, £1,502,123; on horse drawn vehicles, £1,872; licence fees for drivers of motor vehicles, £128,747 and sundry fees, £1,136. Administration expenses totalled £135,515 including £101,685 for salaries. The excess of receipts over payments for the year amounted to £1,498,363.

Motor registration has played an important part in the finances of this State but the Government requires additional revenue and is seeking it from the motorist. In 1952-53 increased revenue from public utilities was £2,428,000 of which £111,869 was derived from registrations of motor vehicles and fees etc. State revenue last year was £22,406,000 greater than in 1948-49, but of the total received £10,460,000 came from the Commonwealth Government. Since 1948-49, revenue has increased by 103 per cent, grants from the Commonwealth have more than doubled, and revenue from motor vehicle registration fees, etc. has increased by £571,100 or 54 per cent. In 1951-52 the Grants Commission in its report referred to a deficiency of £269,000 in motor taxation. Other revenue sources which were below the standard included estate duties, stamp duties and liquor tax. Land tax amounting to £124,000 and betting tax £265,000 were two items above the standard.

The Hon. E. Anthoney—What standard are you referring to?

The Hon. F. J. CONDON—The standard established by the Grants Commission. It is interesting to study figures relating to the number of motor vehicles registered in this State. In 1952 new vehicles registered included 12,353 motor cars, 6,239 commercial vehicles and 2,534 motor cycles. There were 120,523 motor cars, 55,944 commercial vehicles and 23,982 motor cycles in use, or one motor vehicle

to every 3.7 persons. There were also 3,276 road tractors, 23,121 trailers and 1,647 traders' vehicles. The number of drivers' and riders' licences totalled 232,119. It is obvious that an enormous number of people will be affected by the increased fees. No increase is proposed to the present registration fees or drivers' licence fees payable by incapacitated ex-servicemen and the licences for electrically or mechanically propelled invalid chairs will be effected without charge.

The farming community has received concessions for many years and I do not object, but if it is fair to provide concessions to some it is fair to consider providing them for others. Has the Government received any requests for concessions to ministers of religion who devote their activities to Christianity and to acts of charity and mercy? These people make many sacrifices. It would be an act of grace to give them some concession on the same lines as the concessions given to other groups.

The Hon. L. H. Densley—The minister usually does not pay these charges.

The Hon. F. J. CONDON—Quite a number of them are on salaries. For the sake of a couple of thousand pounds in a Bill that will bring in an added estimated revenue of £1,100,000 it would not matter much. If it were establishing a precedent I would not recommend it, but this principle has already been accepted. My only other objection to the Bill is that it is proposed to increase drivers' licence fees by 100 per cent. An increased charge on a business can be passed on, but the private citizen who uses his car principally at week-ends cannot do that, and if there are three or four members of the family who take out a licence for the one car the increased fee will represent a considerable sum to them. I suppose I am the only member of this Council who does not drive a car and who has never had a driver's licence, so it is quite an impersonal matter, but for the ordinary workman who uses a car at the week-end and has to pay 50 per cent more insurance and an increased fee to belong to the Automobile Association, as well as the additional registration and driver's licence fee, it is becoming rather burdensome.

The Hon. Sir Wallace Sandford—He is also pulling down much more in wages.

The Hon. F. J. CONDON—Whatever he pulls down in wages he cannot pass on his increased costs to the consumer.

The Hon. N. L. Jude—The point you would like to make is that three people cannot use a car at the same time.

The Hon. F. J. CONDON—I think we can go too far in registration fees, and I ask members not to dismiss my suggestion lightly simply because it comes from the Opposition. We think it is reasonable, and we are always prepared to help the Government in every way to secure the revenue it needs, just as we would expect them to do if we were in office. We appreciate that no country can be run properly without adequate revenue, and it is not the duty of the Opposition, simply because it is the Opposition, to decry everything the Government introduces. However, we have just as much right as anyone else to offer suggestions. A working man by his thrift may be able to acquire a car. We all like to encourage thrift and we like to see a contented community and therefore should hesitate before imposing too heavy a burden on the people. The commercial vehicle is in quite a different category.

The Hon. F. T. Perry—Which comes first, business or pleasure?

The Hon. F. J. CONDON—A little of both is all right. There are thousands of men earning a little above the basic wage who have managed to buy a car for the enjoyment of the family, but they will find it a little hard to have to pay the increased charges. It will become so difficult for them that, unless we are very careful, they will simply have to put their cars away. I have offered my suggestions in all good faith and I hope they will receive serious consideration.

The Hon. C. D. ROWE (Midland)—I agree entirely with the opening remarks of the Leader of the Opposition that we are getting towards the end of the session and it is therefore necessary to deal with Bills as quickly as we can so as to keep the Notice Paper reasonably clear and thus avoid late sittings towards the end of the session. I commend him on his attitude in going on with the debate on this Bill today. Any measure which has the effect of increasing taxation on the community always meets with some objection and therefore I have carefully scrutinized the Bill. All things considered, the Government has done a very good job in trying to even out the additional burden fairly equitably amongst all sections.

There can be no doubt that it is the heavy transport vehicle which causes most damage to our roads. A particular example can be seen in the bitumen road between Moonta and Kadina. It was bituminized during the

depression days by local labour and without the heavy machinery now available. Traffic of heavy transport vehicles on this road is light and today it is in practically as good condition as when it was first put down. This is evidence to me that most roads can carry a tremendous quantity of light motor traffic without harm, but the heavy transport vehicle travelling at excessive speeds is the one that damages our roads. Therefore it is logical that that type of traffic should carry the greater proportion of any additional impost and consequently, in so far as this Bill increases the burden on that section of road users, I think it is fair and reasonable. It is also necessary in places to widen roads because these heavy transports need additional clearance and this work is done to make the roads safer.

I agree in a measure with Mr. Condon's remarks regarding the increased registration fee for the person who uses his car only for pleasure and usually at week-ends. Several people whom I know are young married folk with, perhaps, three or four children. They live in the suburbs and if they can manage to purchase a car it gives them a means of transport for themselves and families which provides them with a degree of freedom which they would not possess if they had to travel by tram or train. They will find these additional fees something of a burden and I feel sorry for them. However, I point out that it will cost much more to own a car in the future than it has in the past. Usually such people buy small cars, new or secondhand, and after holding them for a year or two often sell them for as much or more than they paid for them, but car values generally are falling and second-hand values will, in my opinion, fall rapidly, so that the person who owns a car today must expect a fairly considerable loss when he tries to realize on it in a couple of years' time. Therefore, I say to people who own cars purely for pleasure, and on which they may be owing a certain amount, to look at the position carefully and to work out as accurately as they can just what it is costing them to keep their vehicles on the road. I think they will find in the majority of instances that it would be cheaper for them to use taxis or hire a vehicle on special occasions, instead of endeavouring to run their own vehicles. I suggest that very seriously, because even to leave a car in the garage would cost at least £1 a week, or possibly £2, and that is an expense which a man whose income is limited cannot reasonably

afford and which could be applied in a much better way. If these increases in registration fees will cause these people to give some thought to that aspect of the matter, this will not be altogether a bad thing.

From my experience as a legal practitioner, I know many people find themselves in financial difficulties because of transactions relating to the purchase of motor cars. It is proposed to increase from 2s. 6d. to 10s. the fee charged by the registrar for transferring a motor vehicle. Although I have no complaint to make about that, the position relating to transfers of primary producers' vehicles should be considered, because it is not possible to transfer the registration on such vehicles owing to some technical difficulty. When a primary producer wants to transfer a vehicle, he has to cancel the existing registration, take out a new one and be issued with a new number. I cannot understand why that should be so.

The Hon. S. C. Bevan—Wouldn't that be because of the concession?

The Hon. C. D. ROWE—It is related to the fact that there is a concessional registration. The other day a farmer client transferred four vehicles to a new partnership consisting of himself and his sons, and instead of being able to effect the transfer in the ordinary way he had to cancel the existing registrations, obtain new certificates of insurance for a further 12 months instead of the balance of the original period for which the vehicles were registered, and have new number plates made for each vehicle. This seems to me to be a cumbersome procedure which should be avoided. I was surprised to learn that last year it cost the Motor Vehicles £135,515 to collect £1,638,878. Although I do not object to that amount, it seems to me to be a large figure for what is really only routine work and keeping records. Although I am not criticizing any of the officers of that department, who have always been most efficient and courteous to me, the procedure has become complicated and difficult for the ordinary person to understand, and there should be some simplification of it to bring about a saving of expenditure. Many absurd anomalies exist, such as the position relating to transfers of primary producers' vehicles and the rule requiring that whenever a commercial vehicle is transferred it must be weighed and the weighbridge note presented; these things could be simplified. Although this Bill may be a disappointment to some people because it will cost them more

to keep vehicles, it is necessary to improve our roads. Bad roads have caused a lot of damage to vehicles, and if they were better less money would have to be spent on maintenance of cars, and we would have better motoring conditions. I support the second reading.

The Hon. E. ANTHONY secured the adjournment of the debate.

#### SEWERAGE ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1513.)

The Hon. C. D. ROWE (Midland)—As this Bill appears to be quite simple and almost self-explanatory, it is not necessary for me to speak on it at any great length. The measure seems necessary to overcome some administration difficulties that have cropped up. Clause 2 provides that the Minister may lease land which he does not require immediately or to sell land which he may feel is surplus for his purposes, and it also inserts in the principal Act new part 6a which gives the Minister power to lease certain drainage works to municipal or district councils and also gives those councils certain powers in that regard. Many recommendations made for sewerage in country areas are a little too far advanced, and it will be many years before the economy of this State will enable much money to be spent on these schemes, so I hope people will not assume that these facilities, desirable though they may be, will be available to them in the near future. I have pleasure in supporting the Bill.

Bill read a second time and taken through Committee without amendment; Committee's report adopted.

#### TEXTILE PRODUCTS DESCRIPTION BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1514.)

The Hon. A. J. MELROSE (Midland)—In discussing this Bill, I could do worse than quote my opening remarks when speaking on a Bill of the same title on November 21, 1944, which is now to be repealed. I then said:—

It seems extraordinary that an industry which has for nearly all Australia's history, and on many critical occasions, carried Australia on its back, should have to wait so long for a simple measure like this to be introduced in order to protect its interests.

That Act proved to be unworkable; this Bill, although superficially very much the same, is considered to have ironed out some of the technical difficulties, and it is hoped that it will achieve the object we had in mind in 1944. It is not sufficient to discuss only the technical operations of this Bill, but necessary and appropriate also to consider the more important aspects of the industry for which the protection of the Bill has been designed because, although it deals with any textiles, it is really intended to protect the great Australian wool industry. This industry, as in the past, is almost carrying the whole economy of Australia on its back, because it is very prosperous and the whole country is sharing in that prosperity.

It is interesting to note the changes in sheep population and values of the wool clip and other matters which form the background of this Bill. The sheep population has increased from 70,603,000 in 1900 to 121,600,000 in 1953, South Australian's proportion being 12,040,000. When I last spoke on this matter I drew attention to the fact that more conservative owners in the industry considered we would be in a precarious position if our sheep population increased to 10,000,000, but owing to changes in pastoral practice through the years and the use of fertilizers, the position is very much safer with 12,000,000 than ever before with only 10,000,000. In this respect it is interesting to note the change in the *locus* of the sheep population. At the beginning of the century, the industry was looked upon as one for our lower rainfall areas, but today the position has changed, and that change is more marked than in 1944. In 1925 what were known as outside areas bore 72½ per cent of the sheep population of this State, and 27½ per cent were in the more favoured areas; today the position is almost exactly the reverse, because the outside areas support about 27½ per cent and the better areas 72½ per cent. If members look at the *Statesman's Pocket Year Book* they will see the reason for that change, that in 1925 7,380 tons of fertilizers were used on 123,657 acres, and in 1951 116,240 on 2,150,000 acres. The change in the distribution of the sheep population and the alteration in agricultural practices is the background for my remark that we are safer today with 12,000,000 sheep than we were previously with 10,000,000.

The great importance of this Bill is that we will protect, as far as possible, our characteristically finer merino wool. The Common-

wealth clip for 1952-53 was 3,893,249 bales, of which 74 per cent was merino and 26 per cent what might be termed other wool and which included coarser types of merino wool. I have been of the opinion for many years that the world and the Australian trends will be for the coarser wool to increase in percentage at the expense of the finer merino wool. The merino is a sheep particularly adapted to a lower rainfall area which it enjoys best. As the sheep population drifts to wetter and richer areas where the merino will be less at home, and as the flocks become smaller—and I was surprised to read recently that there are only ten sheep flocks of over 20,000 head—so will production of finer merino wool decrease. It behoves us more than ever to protect the merino aspect of the wool industry because the finer and more desirable woollen garments are made from the better wool. It would be axiomatic to say that the better the wool the better the garment.

The competition from synthetics, from which we are aiming to protect ourselves, is keener today than ever and an enormous amount of capital is invested in the synthetic industry. Large teams of advertising agents are campaigning in an effort to market synthetic fibres in different forms to take the place of other fibres used in garments. The latest in synthetic suitings is a product named Dakron. It has many advantages: it does not crush and can be washed and ironed in a short time. It has disabilities and one is that although it can be washed and dried while you wait it cannot keep water off and if a person is caught in a shower the rain goes right through. Perhaps the most amusing disability is that if a person who is fashion conscious is wearing nylon underclothes beneath a Dakron suit, static electricity is generated and every now and then the pants legs wrap themselves violently around his calves and almost bring him to a standstill.

The wool industry recognizes that synthetic fibres do have a place with wool. A great effort has been made to spread the use of wool into nations which hitherto have not been able to afford it or have not been aware of the comforts associated with its use. I doubt if there is sufficient wool produced to meet the world's demand and a proper admixture of synthetics with wool would not be to the ultimate detriment of the wool industry. It would be foolish to launch a campaign to wipe

about the use of synthetics and I think the appropriate course is being followed by the International Wool Secretariat to spread the knowledge and popularity of wool into as many corners of the globe as possible. It is fitting and appropriate at this moment to refer to the excellent work being performed by a fellow Australian, Mr. Ewan Waterman. As chairman of the International Wool Secretariat he has become a world figure, and deservedly so, and Australians can be proud of what he is doing on their behalf.

The technical implementation of the Bill has been well debated, but I thought it fitting that one member should endeavour to introduce a little background to the debate. The legislation will enable people to know that when they are buying wool they are not obtaining something which merely appears to be wool. Unfortunately, wool is, at present, a little too dear. The present Australian economy could probably be maintained if the price of wool remained at about £100 a bale. The record price of 516d. for lambs wool and 236d. for fleece wool paid at Geelong this week is not a measure to be applied to all wool. Those prices are paid for wool of a very particular specification. The entire bale must be of a definite length—not necessarily the longest wool in the clip—and of a definite degree and fineness and of such specification that very few wools could measure up to it. When two buyers representing different interests are after the same wool, the sky is the limit. While wool remains at its present price we should enjoy a very sound economy. The value of the clip in 1941 was £62,400,000, but during the boom years it rose to over £600,000,000. The present clip will probably be worth about half that amount. Those are large sums in any language. As the Bill is an endeavour to maintain the stability of the wool industry and to assure consumers that they will know exactly what proportion of wool is in the garments they purchase, I support the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 7 inclusive passed.

Clause 8—"Offences and penalties."

The Hon. F. J. CONDON—I am sure all members regret the absence of Mr. Cudmore who would, no doubt, take me to task for criticizing the proposed penalties. When we were discussing the Police Offences Bill I strongly objected to some of the proposed

penalties but was told that because of increased costs it was necessary to increase fines. The Act which is being repealed by this measure prescribed a penalty of £100 but the clause reduces that to £50. I do not suggest altering the penalty provided in the clause but members should not overlook the Government's inconsistency.

Clause passed.

Remaining clause (9) and title passed.

Bill reported without amendment and Committee's report adopted.

#### PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1517.)

The Hon. W. W. ROBINSON (Northern)—This Bill merely extends the Prices Act for another 12 months. Price control has been in operation for a considerable period, first under National Security Regulations during the war and, since it has been relinquished by the Federal Government, under State control. The history of price control is really a record of increasing cost of production because as production costs went up commodity prices followed. Almost invariably when an article has been controlled the price has increased. The fixing of prices is a difficult matter and calls for a very practical administration. Not long ago we were struck with the fiasco on the potato market when the price was fixed here at £28 a ton and in a neighbouring State at £32, whilst in New South Wales, where the price was uncontrolled, it went to any fancy price. Again, at a later period, when there was a shortage of potatoes and we had to import them from Western Australia, the local price was fixed at 6d. a pound and Western Australian production was allowed to be sold at 7½d. In consequence, nearly all potatoes became Western Australian.

Where there is a plentiful supply a goods and free competition for their disposal price control is unnecessary, but I do not consider that, in this State at any rate, there is competition in the sale of goods; it is controlled to a great extent by honourable understandings and associations, and the recent reductions of sales tax have not in every case been passed on to the consumer. Since the Arbitration Court has stabilized the basic wage and pegged quarterly adjustments I am inclined to agree with Mr. Condon that there never was a time when there was greater need for price control.



Wages have been pegged, and in order that no injustice shall be done, and so that our economy may enjoy the full benefit, we should see that prices do not rise. If manufacturers, distributors and all sections of the community will take a long range view and, instead of clamouring for their own sectional interests, endeavour to bring production costs on a par with those of other countries, we can hope to progress. I support the Bill and trust that prices will be fixed on a practical basis.

The Hon. S. C. BEVAN (Central No. 1)—Notwithstanding the frequently expressed opinion that price control should be abolished I consider the time inopportune to discontinue this legislation. During the war, under National Security Regulations, wages and prices were stabilized and quarterly adjustments were negligible; to my knowledge the greatest single increase was 4s. and that incurred only once.

The Hon. E. Anthoney—One was £1.

The Hon. S. C. BEVAN—Not during the war. To the best of my recollection the greatest increase during the war was 4s. and that occurred only once. During that time we had stability in prices, but there is no doubt that once price control goes prices will soar, for we have already seen that, with the easing of control, prices have risen, causing the basic wage to rise correspondingly.

The Hon. F. T. Perry—You are trying to say that the basic wage does not affect prices?

The Hon. S. C. BEVAN—I am saying that the adjustments of the basic wage have always been three months behind increased prices. I agree that price rises followed quarterly adjustments because we had the vicious circle; the dog chasing its tail and, unfortunately, never catching it. We must ask ourselves what would happen if controls were removed now! Mr. Condon referred to the recent action of the Arbitration Court in discontinuing quarterly adjustments and I heard an interjection, "The same old story," but can we disregard the fact that the workers' wages are now virtually pegged and that if we do not re-enact this legislation prices will reach an all-time high? It has been said that the Legislative Council in Tasmania rejected price control, but it was not long before it had to re-enact the legislation it had abandoned.

The Hon. E. Anthoney—Only in regard to one commodity.

The Hon. S. C. BEVAN—Yes, but because of the immediate effect of the removal of control, and I submit that the same thing would happen here. Mr. Robinson referred to potato prices and I agree with his contention; potatoes would be unprocurable if this Bill were not enacted. I have been advised authoritatively that growers are receiving 6s. a case for oranges which are being sold retail at three for 1s.

The Hon. R. R. Wilson—First grade oranges?

The Hon. S. C. BEVAN—Navel oranges grown on the River Murray, and of first quality.

The Hon. E. Anthoney—Are they controlled?

The Hon. S. C. BEVAN—I am showing what happens when we have no controls. As soon as the higher price was granted for Western Australian potatoes locally grown potatoes went off the market. Apparently, we did not grow them any longer, and again, as Mr. Robinson said, when the local price was 6d. and the price for imported potatoes 7½d. they all became imported potatoes. Likewise, immediately the price of new potatoes was fixed at 9d. old potatoes went off the market.

The Hon. Sir Wallace Sandford—All these things have arisen since we have had price fixing.

The Hon. S. C. BEVAN—They would get out of control altogether if this Bill were not re-enacted. Only last week a retailer was prosecuted in the local court, on the complaint of the Housewives' Association, for overcharging on potatoes and was convicted, but the person laying the information was branded a snooper. It is not right that persons who have acted legally to give effect to this legislation should be branded as snoopers because they have reported breaches. There may be reluctance on the part of people to lay complaints for such breaches if they receive this treatment. If this legislation were not enacted, what would happen?

The Hon. Sir Wallace Sandford—What happened before it existed?

The Hon. S. C. BEVAN—I had the responsibility of keeping a wife and family then, but I could get £1. worth of goods for £1, which cannot be done today. During the war years there was more rigid price control and

pegging of wages, and money was worth more than it is today. Ever since this legislation was discontinued by the Commonwealth Government I have argued that the States cannot control prices adequately. There is not sufficient control over prices today with the semblance of price control that exists. A few weeks ago I visited Queensland when potatoes came on the market. The wholesale price was £108 a ton, and the retail price to the housewives immediately rose to 1s. 3d. a lb. The same thing could happen here if we did not have this legislation re-enacted. Prior to price control did anyone ever dream that potatoes would ever cost £108 a ton?

The Hon. E. Anthoney—They should not be such a high price.

The Hon. S. C. BEVAN—I agree, but what is the cause of it?

The Hon. E. Anthoney—Controls.

The Hon. S. C. BEVAN—Mr. Condon said that when action is taken by members of a trade union it is called a strike, yet under price control the growers are able to force up the prices, which is direct action. It is all right for them, yet when the worker tries to obtain a fair return for his labour and takes direct action, some people think he should be put up against the wall and shot. I have heard those expressions used more than once before today, and those workers could not be branded as Communists or Communist-controlled because they are far from it.

The Hon. E. Anthoney—Such a statement is an irresponsible one.

The Hon. S. C. BEVAN—It may be, but it was made. When those in control of a staple commodity hold the people to ransom and get away with it, they should be treated the same as trade unions that take direct action.

The Hon. Sir Wallace Sandford—The honourable member has not proved any case yet.

The Hon. S. C. BEVAN—These growers demanded an increase in the price of potatoes here and threatened that they would not market them at the controlled price. If that does not prove my statement then nothing will. They were able to do this even under our present system of price control, so if it is not re-enacted it would not take much imagination to judge what would happen.

The Hon. R. J. Rudall—That was because your own Party did not control the price of potatoes in other States.

The Hon. Sir Wallace Sandford—The member is only telling half the story.

The Hon. S. C. BEVAN—If I am, I will go back to it. Potatoes are grown and marketed here, presumably at a fair return to the grower, and if they can be marketed in another State at a price which is slightly or even greatly higher than obtains here, is that a reason to say that our legislation must be wrong and that the Prices Commissioner does not know his job? Can that excuse the action of growers in this State in holding consumers to ransom? Can it be used as an excuse to force increased prices to be paid in this State?

The Hon. R. J. Rudall—That doesn't answer the fact that the member's Party decontrolled the price of potatoes in another State.

The Hon. S. C. BEVAN—I admit that, and it bears out my argument that the same thing would happen here, but that is not an excuse for this State being held to ransom. It is necessary to renew the legislation before us, and after the period of 12 months provided we will once again be forced to re-enact it. Personally I hope we will not, but I am sure that we will; because of the circumstances I support the second reading.

The Hon. R. R. WILSON (Northern)—It is pleasing to note that a number of commodities have been de-controlled during the last year. It has been argued that controls are unnecessary and that prices would soon find their own level if controls were lifted, but that can only be so with a plentiful supply of commodities. Freedom from control is desirable so long as people are not exploited by monopolies, but those monopolies exist, and they constitute a threat. Competition between sellers is always desirable if there are adequate supplies of goods on the market. I consulted a number of my constituents over the week-end, asking their opinions on price controls, and found they are concerned with two commodities: superphosphate and fuel. They feel that, because of the control on superphosphate prices last year, about £250,000 was saved for them because at the time the companies intended asking for an increase, but the Prices Commissioner ordered a decrease. A few days ago I mentioned in this House the high cost of fuel on Eyre Peninsula, and said that the 7d. a gallon difference between city prices and the price there should not exist because the tankers deliver fuel direct to Port Lincoln.

People there fear that if price control is lifted petrol will cost still more.

The Hon. F. J. Condon—What is the reason for the difference between prices at Eyre Peninsula and Port Pirie, which is 150 miles by road from Adelaide?

The Hon. R. R. WILSON—I do not know, but it is most unfair.

The Hon. K. E. J. Bardolph—Perhaps the companies consider your constituents are more prosperous.

The Hon. R. R. WILSON—The high price is retarding the prosperity of my district. The Leader of the Opposition said that he would like to see permanent price control. I do not agree with that, although I think it will be necessary for another 12 months, and next year when this Bill comes before the Council we will be able to see what has happened in the meantime. I have much pleasure in supporting the Bill.

The Hon. E. ANTHONY (Central No. 2)—If members listened to the arguments of other members they would realize how unnecessary this legislation is. I can well remember the time before a board controlled potato marketing and there was no shortage of that commodity, but immediately controls were brought about, the shortage commenced. That is a usual consequence of controls; it happened under the Apple and Pear Board and caused terrific waste, because people went out of production and many orchards have never been worked since. One producer told me that he had been in the potato business for many years, and an inspector visited his property and ordered him to plant potatoes in a certain place; when he refused to do so the inspector said "Either there or nowhere" and the grower said "nowhere." He said he would not grow them and relinquished their production. He is only one of many.

The Hon. F. J. Condon—Do you suggest the grower should get the price he demands?

The Hon. E. ANTHONY—No, under a free economy he would receive a price decided by the seller and the buyer. This legislation was imposed on the public during the war when all our resources were mobilised to ensure our safety. We are not at war at present and controls should be removed.

The Hon. F. J. Condon—What about the action of the Arbitration Court in pegging wages?

The Hon. E. ANTHONY—I thought that a fine gesture in an effort to stop the inflationary spiral. The workers were not happy with the increases provided under the C series index. Price fixing does not control prices, stop inflation or prevent profiteering and statistics support that contention. According to the latest statistics, taking 100 as the index figure of costs in 1939 it has increased by 189 to 289 today. That is a result of price fixation.

The Hon. A. L. McEwin—What would have been the increase if there had been no price control?

The Hon. E. ANTHONY—Had there been no price control we would have reached a level of stable economy long ago. While the Government continues the operation of prices legislation we will continue in this chaotic condition. I believe in a free economy in which buyers and sellers can come together and fix a price instead of it being fixed by a Government servant who probably knows nothing about business and has probably never been in business. Prices legislation does not stop profiteering or inflation but it does prevent competition and places a premium upon inefficiency. No one can deny that. The least efficient man can make a profit and the more efficient man a higher profit. Price control is doing tremendous harm to our economy.

The Hon. K. E. J. Bardolph—Do you suggest that prices legislation is a vehicle for exploitation?

The Hon. E. ANTHONY—Yes. Housewives know just how much price control has controlled prices. It is a vicious system but I know that the Government has removed certain commodities from control and hopes ultimately to abolish control entirely. However, it should have been abolished 12 months after the war.

The Hon. F. J. Condon—Chaos would have resulted.

The Hon. E. ANTHONY—No. Business would have been run on proper lines. Prices legislation contributes to black marketing and to inefficiency.

The Hon. R. R. Wilson—No country could recover from the effects of the war within 12 months.

The Hon. E. ANTHONY—England has gone through the greatest trial that could confront any nation. She has undertaken a tremendous defence programme, has dispensed

with most controls and has made great advances as a result. She is the cheapest country in the world in which to live.

The Hon. F. J. Condon—Do you suggest that price control is keeping the price of butter at 4s. 1½d. a pound in South Australia? when it is sold in England for 3s. 6d.?

The Hon. E. ANTHONY—That is due to subsidies. No argument has been put forward this afternoon to convince me that this system benefits the country and the sooner we get rid of it the better. The regimentation of prices is a bad thing and whilst I realize that if it were abolished there might be a slight dislocation of prices for a time, ultimately the position would right itself and our economy would proceed in a better way.

The Hon. K. E. J. Bardolph—Hope springs eternal in your heart.

The Hon. E. ANTHONY—I remind members of the Labor Party that when feudalism was broken up and people obtained the rights of property that was the beginning of freedom but controls mean the deprivation of freedom.

The Hon. K. E. J. Bardolph—How?

The Hon. E. ANTHONY—Does the honourable member suggest that people are free today? Are housewives free? Can they shop where they like, get milk and bread where they like and have meat delivered? That is all the result of regimentation, price fixation and other regulations.

The Hon. A. L. McEwin—What regulation prevents people from getting milk from where they want?

The Hon. E. ANTHONY—The State has been zoned for a long time.

The Hon. A. L. McEwin—There is no regulation governing the zoning of milk.

The Hon. E. ANTHONY—There was at one time. The principle is wrong. Does the Minister suggest that housewives can get meat delivered to them?

The Hon. A. L. McEwin—There is nothing in this Bill about meat.

The Hon. E. ANTHONY—I am referring to controls and regulations which have brought about the present unsatisfactory state of affairs. If controls are removed prices will soon decrease but controls contribute to inefficiency and the most inefficient man is assured of a profit.

The Hon. F. J. Condon—If a man's wages are pegged shouldn't prices be pegged?

The Hon. E. ANTHONY—There may be something in that but the sooner the controls are removed the better. I oppose the Bill.

The Hon. L. H. DENSLEY secured the adjournment of the debate.

#### PUBLIC ACCOUNTS COMMITTEE.

Adjourned debate on the motion of the Hon. F. J. Condon.

That in the opinion of this House it is desirable to appoint a permanent public accounts committee to—

- (a) examine the loan and revenue accounts of the State and all statements and reports required by law to be submitted by the Auditor-General to Parliament;
- (b) report to Parliament, with such comment as it thinks fit, any items or matters in those accounts, statements and reports any circumstances connected therewith, to which the committee is of the opinion the attention of Parliament should be directed; and
- (c) report to Parliament any alteration which the committee thinks desirable in the form of the public accounts or in the method of keeping them or in the mode of receipt, control, issue or payment of public moneys.

(Continued from November 18. Page 1508.)

The Hon. E. H. EDMONDS (Northern)—I listened with considerable interest to the remarks of the Leader of the Opposition in introducing this motion and to the Attorney-General. As a result I find that in one respect at least they are in entire agreement. They both recognize the real desire that the closest scrutiny, care and attention should be given to the expenditure of governmental and semi-governmental funds. During this session there have been frequent references to the amount of the Appropriation Bill passed by both Houses recently. It has been stated that it represents a record expenditure of over £51,000,000. Mr. Condon contended that that in itself was sufficient reason for the acceptance of the motion. I do not think that aspect need come into the discussion, for no matter whether the sum be great or small there is always the need for careful scrutiny of the handling and expenditure of public money. Mr. Condon, in presenting his motion, said:—

Why do I ask for the appointment of this committee? The present procedure is that the Government refers a subject to the Public Works Committee which has estimates placed before it which it examines. In due course a recommendation is made—perhaps within a few days or perhaps not for 12 months or two years—but before the work is started costs may have increased by 50 per cent or 70 per cent;

I know of recommendations which have never been put into effect. We should have a committee to see that the expenditure authorized by Parliament after an inquiry by the Public Works Committee is spent in a proper manner. At present we do not know how money is spent. In today's Appropriation Bill there may be six or seven items which may never be gone on with, but the amount voted by Parliament may be switched to some other project. We have no control over that, and I want to give it back into the hands of Parliament.

And later:—

The Auditor-General submits a very valuable report to Parliament every year, but he can do nothing more; he has no control over the actual expenditure. The establishment of a committee might be taken to express the wish of Parliament to secure some further control over the expenditure of public funds.

This seems to be rather an admission that we already have a committee which can discharge the duties he proposes to hand over to a public accounts committee. Finally, he said:—

The setting up of a public accounts committee would safeguard the expenditure of public money and I ask members to support this motion which I believe is in the best interests of the State.

I think we can all agree with that last statement, but as regard the others, it may be well to refer to authorities already set up to safeguard public expenditure. Some have already been referred to by the Attorney-General, but I want to elaborate a little more on one or two of them. Firstly we have the Audit Act. Under this the Auditor-General is vested with very wide authority indeed, and I will mention some of his powers as a reply to the quotations I have taken from the Leader of the Opposition's speech. Section 27 (2) provides:—

If it appears to the Auditor-General, from any examination, audit, or inspection made by him or any person appointed by him—

- (a) that any accounting officer has wilfully or negligently omitted to collect or receive any money;
- (b) that any money has not been duly credited to the proper head of revenue or account, or not duly accounted for and paid over to the public account;
- (c) that any money has been applied or charged to any service or purpose for which the same was not legally available or applicable;
- (d) that any expenditure has not been duly authorized or is not duly vouched and certified;

That demonstrates that there is ample safeguard against the possibility of any switching to other projects of amounts authorized by Parliament.

Section 36 provides that the Treasurer shall at the end of every financial year submit a

full statement of the expenditure of public revenue to the Auditor-General and in relation to this section 37 provides:—

The Auditor-General shall forthwith examine such statement and prepare and sign a report explaining such statement in full, and showing—

- (a) in what particulars such statement agrees with or differs from the accounts of the Treasurer;
- (b) full particulars of every case in which the provisions of this or of any other Act, or any prescribed forms, have not been carried out or adopted, or in any manner have been varied or departed from;
- (h) such other information as may be prescribed, or as the Auditor-General thinks desirable.

Here again is set out clearly and concisely the Auditor-General's authority to exercise his powers in connection with any Government accounts. Furthermore, section 40 lays down:—

The Auditor-General in such yearly report or in any special report which he may at any time think fit to make, may recommend any plans and suggestions that he may think fit to be adopted for the better collection and payment of the revenue and other moneys as aforesaid, and the more effectual and economical audit and examination of the public accounts and any improvement in the mode of keeping such accounts . . .

Another demonstration of his ample authority. Next in order of importance is the Auditor-General's report—a voluminous and comprehensive statement covering the activities of every department in the Public Service. In it the Auditor-General makes recommendations and comments and even commendation of certain practices. He sets out a list showing what warrants have been approved by the Treasurer and have been certified by the Auditor-General where additional loan funds have been transferred to other works as circumstances rendered necessary. So there again is a demonstration that the Auditor-General not only has the authority but exercises it. The Attorney-General effectively directed our attention to the Commonwealth Grants Commission which publishes an annual report. I have its 20th and latest edition, and it contains some very valuable and useful information, much of it along the lines the mover claims would be the function of a public accounts committee. Therefore, why is it necessary to duplicate all these powers? In addition we have various Parliamentary committees. The Public Works Standing Committee, of which Mr. Condon is a valued member, investigates projects submitted to it and

takes the opportunity of gathering the fullest and most comprehensive information upon every aspect, and in that committee alone we have another valuable safeguard. I cannot conceive that a body of men such as comprises the Public Works Standing Committee could make any recommendation to Parliament unless it was fully satisfied that it had made a careful survey of all the circumstances associated with any given project and satisfied itself that it was within the compass of the finances available for it, and that it had in every direction safeguarded the expenditure of public funds.

I have the privilege to be a member of the Parliamentary Land Settlement Committee and I know that we demand the fullest information on every aspect of every project submitted to us, what the financial implications may be and in every way satisfy ourselves, and make

our recommendations accordingly. This leads me to the point that although I appreciate the motives prompting the mover I contend that the setting up of a Public Accounts Committee would be merely a duplication of already existing powers and a duplication of authority which has given ample evidence that the financial affairs of the State are amply safeguarded. The machinery is in existence to deal fully with the matters the honourable member desires to have dealt with by the committee he proposes and in all the circumstances therefore I regret that I am unable to support his motion.

The Hon. K. E. J. BARDOLPH secured the adjournment of the debate.

#### ADJOURNMENT.

At 4.31 p.m. the Council adjourned until Tuesday, November 24, at 2 p.m.