

**LEGISLATIVE COUNCIL.**

Wednesday, June 9, 1954.

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

**QUESTION.****NON-RATABLE GOVERNMENT PROPERTY.**

The Hon. F. J. CONDON—I ask leave to make a brief statement with a view to asking a question.

Leave granted.

The Hon. F. J. CONDON—In the Supplementary Estimates provision has been made for grants to various bodies for recreation purposes, which I commend. In view of the amount lost by the Port Adelaide Corporation on non-ratable Government property, which amounts to £450,000 since the acquisition of the wharves, and last year was £25,000, will the Government consider compensating the Port Adelaide Council for the losses which have to be made up by the ratepayers?

The Hon. N. L. JUDE—I realize that the question is very important and will obtain a report as soon as possible for the honourable member.

**SUPPLY BILL (No. 1).**

Adjourned debate on second reading.

(Continued from June 8. Page 30.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—First, I wish to express my view of the occasion of Her Majesty's opening of the Second Session of the Thirty-Fourth Parliament this year. I, with other members, particularly those of the Opposition, realize that this was a great political event in the history of South Australia, of which we can all be proud by reason of the fact that we were privileged to have Her Majesty in our midst to open this democratically-elected Parliament and to carry on the traditions of the Mother of Parliaments. I also compliment the new Ministers, Mr. Jude in this Council and Mr. Pattinson, and Mr. Christian in the other place, upon their elevation to the Ministry. I support the Leader of the Opposition when he said that, irrespective of the Party in power, the responsibilities of the Ministers are great and their duties very arduous, so I want to add my meed of congratulations and wish them well. I assure them that they will

receive the support of members of the Opposition in all matters that make for the welfare of the people. I congratulate Mr. Condon upon his fine dissertation on the wheat position, particularly in respect of the flour milling industry, and I was very pleased to hear Mr. Robinson, without any reservation, support him regarding the parlous position of the milling industry. I think Mr. Robinson would have gone even further yesterday if the report which appears in the *Advertiser* this morning had been published then.

The Hon. W. W. Robinson—I had that information yesterday.

The Hon. K. E. J. BARDOLPH—Perhaps that set the course the honourable member pursued in supporting Mr. Condon, but members will realize that those in this Chamber who represent metropolitan districts have the welfare of the people living in the rural districts just as much at heart as they have the welfare of those who reside in the city. Consequently, it is most alarming to all of us to read in the paper this morning that the Australian Wheat Board, at this late stage, is now considering the position that has arisen by Canada's cutting the price of wheat by 10d. a bushel.

The Hon. S. C. Bevan—Rather late, isn't it?

The Hon. K. E. J. BARDOLPH—It is. This board, as Mr. Robinson pointed out yesterday, was appointed by a Labor Government, but the members of the board were elected by the wheat farmers of Australia by ballot. Consequently, no member of this Chamber nor any wheatgrower can object to the personnel of that board because wheatgrowers were permitted the democratic right of electing members to control their industry.

The Hon. R. J. Rudall—Are there millers' representatives on the board?

The Hon. K. E. J. BARDOLPH—There is one millers' representative, but that does not alter the fact that the board was created for the purpose of protecting the interests of the wheatgrower.

The Hon. F. T. Perry—I thought it was to market the wheat.

The Hon. K. E. J. BARDOLPH—That, too, protects the wheatgrower. He must have an avenue to market his wheat. Power was given to the board to enter into any international agreement that was determined for the purpose of supplying wheat to European countries. The position is so serious that the chairman of the board, Sir John Teasdale,

proposes leaving next week to study the British wheat market and export moves in Canada and the United States.

The Hon. F. J. Condon—He has just returned from overseas.

The Hon. K. E. J. BARDOLPH—Then he could not have learned much whilst away. The position is so acute that it is necessary for him to fly to the centres I have mentioned in order to discuss and, perhaps, review the present wheat agreement. I do not desire to create the impression that I am attacking the chairman personally because I do not know him, but the actions of the board are open to either criticism or commendation. The chairman is going to help the Australian delegation at the International Wheat Council talks in London this month. The council is meeting to discuss next year's working of the International Agreement. It is not so long since a conference took place in the United States from which Britain was excluded—and Britain has through the years been the main purchaser of wheat from Australia and elsewhere—at which wheatgrowers held out for the last penny to the detriment of the milling industry in Australia. Nobody outside the walls of this Parliament seems interested in this matter and Mr. Condon is to be commended for raising this issue. Sir John Teasdale is reported in this morning's *Advertiser* as having said that even if the price of wheat were lower very few people would have two breakfasts on the same day.

The Hon. W. W. Robinson—Are you opposed to a home consumption price?

The Hon. K. E. J. BARDOLPH—No, I have always advocated fixing a home consumption price and then selling any surplus overseas at world's parity; not governing the home consumption price by world's parity. In this morning's *Advertiser* the following article appears:—

The U.S. Government is determined to get rid of more of its enormous farm products surplus—and it does not care if it spoils the food export business of friendly nations. That is the current view of the present move in Washington in preparation for the sale overseas of much of the nation's 7,000,000 dollars farm products surplus.

It is the responsibility of this Government, because South Australia is essentially an agrarian State, to join forces with the other State Governments to see if the position cannot be rectified. The Victorian Premier proposes moving in this matter at the next Premiers' Conference.

The Hon. R. R. Wilson—Hasn't the world surplus of wheat something to do with the problem?

The Hon. K. E. J. BARDOLPH—Yes, but there are millions of people desiring wheat. To the north of Australia there are teeming millions and the only way to stem the onrush of Communism is to provide them with food. Divine Providence has blessed Australia with the means of producing food. My mind reverts to 1930 and 1931 when Australian wheat was sold at 1s. 3d. and 1s. 6d. a bushel. It is our responsibility to endeavour to formulate some plan whereby the wheatgrowers and the milling industry are protected as they should be.

The Hon. C. R. Cudmore—Do you think Mr. Cain has been a help in this matter?

The Hon. K. E. J. BARDOLPH—I am not going to discuss Mr. Cain.

The Hon. R. J. Rudall—You are not able to.

The Hon. K. E. J. BARDOLPH—The Attorney-General has thrown out a challenge which I must accept. Victoria was in a state of chaos until the Cain Government provided the stability it now enjoys. Victoria is so buoyant that its savings per capita are greater than in any State. That can be attributed to the splendid legislation in that State by the Cain Government.

The Chief Secretary took only five minutes to deliver the second reading. It is true that he briefly explained various clauses, and stated that the £6,000,000 was to carry on Government services for two months. I ask why Parliament did not continue sitting after the opening by Her Majesty the Queen, because this procedure of submitting money Bills to this House and giving us scant time for full consideration has been growing.

The Hon. S. C. Bevan—We will have less time to discuss the next one.

The Hon. K. E. J. BARDOLPH—I know that, but I do not suggest that there is any sinister motive behind it. I disagree entirely with Mr. Cudmore's observations on procedure. On many occasions I have said that his views coincide with mine on this subject, but his attack can be interpreted as a veiled attack on you, Mr. President, as custodian of our rights and privileges and the Standing Orders of this Chamber. You would not permit any irregularities to take place, but if any had occurred it was the honourable member's right to oppose the procedure. Despite the able authorities quoted by Mr. Cudmore, I disagree

with him on this matter because during the period that I have been in this House you, Mr. President, have rigidly protected members on both sides by your just interpretation of Standing Orders, and on this occasion you are not remiss.

The Hon. C. R. Cudmore—You should get someone to explain what I was talking about.

The Hon. K. E. J. BARDOLPH—I do not think so, because I am usually one or two jumps ahead of my honourable friend, who spoiled the whole context of his argument by saying that all the trouble could be attributed to uniform taxation, which could not have taken place if all State Governments had not passed enabling legislation.

The Hon. R. J. Rudall—Where do you get that?

The Hon. K. E. J. BARDOLPH—We passed enabling legislation here.

The Hon. R. J. Rudall—Did we?

The Hon. K. E. J. BARDOLPH—Yes. I know members opposite do not like these points being raised. The Menzies Government six years ago promised to return taxing powers to the States, but what action has been taken by Mr. Cudmore to force his Government to seek the return of those powers which he said yesterday he regretted being in the hands of the Commonwealth? If he desires the return of taxing powers to this State, his Premier can go to the next Premiers' Conference and ask Mr. Menzies to honour his promise. Mr. Cudmore referred to a statement made by Mr. Fitzgerald, the chairman of the Grants Commission. The Treasury has always been commended by the Grants Commission, and also by two late Labor Prime Ministers, John Curtin and Ben Chifley, for the way in which this State's case has been presented from time to time.

Mr. Rowe, after quoting matters contained in the Governor's Speech, said that South Australia is in a state of financial buoyancy. That, however, can be attributed mainly to the economic development of Australia by those employed in rural and secondary industries. He also mentioned the socialization policy of the Labor Party. I think this is something like the Chinese tiger referred to by a member of the Federal Parliament recently. This bogey is always trotted out prior to an election and now we find it kept up after the election.

The Hon. W. W. Robinson—I thought you put it away during the elections.

The Hon. K. E. J. BARDOLPH—We haven't one to put away.

The PRESIDENT—We are discussing the Supply Bill and I cannot see how the honourable member can possibly link up his remarks.

The Hon. K. E. J. BARDOLPH—With all respect, Mr. Robinson referred to the Labor Party's alleged Socialistic policy and I was pointing out in reply that his Party always trots out the Socialistic tiger prior to elections but now it is keeping it going after an election. The present South Australian Government has always been regarded as the greatest Socialistic Government that has ever graced the Treasury benches. First there was the socialization of the Electric Supply Company, and the development of the Leigh Creek coalfield. These things were claimed as benefits to the people and can be said therefore to be part of a Socialistic policy. Such things as the Housing Trust and the provision of cheap money for homes all tend to give people some consideration and to resolve their social problems, which they could not do for themselves, but whenever they are brought about by a Labor Government a different label is placed upon them in order to create mass hysteria and the fear that something sinister is being done by the Labor Party, so it is time that members of the L.C.L. Party stated the true position.

The Hon. R. J. Rudall—Is there not a plank in your policy advocating socialization?

The Hon. K. E. J. BARDOLPH—The President will not allow me to digress far in discussing that matter, but the honourable member knows as well as I do what Labor's policy is, and it is not what he attempts to convey by interjection and innuendo.

The Hon. R. J. Rudall—Then produce the policy and let us have a look at it.

The Hon. K. E. J. BARDOLPH—My friend knows that Labor's policy is socialization of industry, distribution and exchange, but he stops there; he does not want to go any further because that suits his purpose. Our platform goes on to provide that the things that shall be socially owned are those which are used in direct conflict with the welfare of the people. Why did the Playford Government take over the Electric Supply Company, or set up the Housing Trust or develop the Leigh Creek coalfield? Was it not to give the people those social conditions they desired? My honourable friend tries to impute that Labor's platform means the abolition of private property whereas it does nothing of the kind. That is the Communist policy, but to suit their political ends the L.C.L. Party always

attempts to pin Labor's policy and the Communist policy together. In conclusion I point out that Mr. Cudmore yesterday advocated Labor's policy—that there should be two sessions of Parliament each year. If that had been done the question raised by him regarding procedure would have been unnecessary because members would have had time to peruse the Estimates carefully and give them the consideration warranted.

The Hon. Sir WALLACE SANDFORD (Central No. 2)—This follows the usual form of Supply Bills and the amount for which Parliamentary authority is sought on account of the financial year which begins on July 1 next is £6,000,000. As the Chief Secretary told us, it is expected that this amount will be sufficient to meet the financial requirements of the Government for some two months or so. A good deal has already been said on the matter of the procedure in the introduction of this Bill, but I cannot see much to cavil at. We know that in three week's time we will start another year and in order that the functions of the various departments may be financed to meet the requirements of plant and machinery and the innumerable units of construction a sum, which a few years ago would have struck us as enormous for a relatively small population, is now fully justified.

The Government is to be warmly congratulated on the manner in which it has handled the State's finances. The considerable number of years during which the majority of the electors in the majority of the constituencies have returned the supporters of that Government to power is, I think, clear evidence of the approval of the people of the way in which the finances of this State have been controlled. All those who have heard the various speeches must have been struck by the fact that there has been some confusion between this Bill and the Address in Reply debate to which we shall give our attention in due course, but I think there is ample justification in at any rate taking the opportunity that the opening of the new session gives us of confirming by our expressions of confidence and congratulation the distinction which has been extended to Mr. Jude by his inclusion in the Cabinet. The Hon. Sir George Jenkins has given long and very high quality service to the State, and I extend my compliments to him and express the hope that for many years to come it will be his pleasure to see the way in which the conditions over which he ruled develop. I refer particularly

to the period of some years when the chairmanship of the Public Works Standing Committee was under his guidance.

While South Australia is achieving much expansion in the secondary industries we must not overlook the fact that we are essentially a primary-producing State, although there is little fear of that. If there were any danger I am sure that the strenuous efforts continually made by the Leader of the Opposition to take care of the interests on which he is so well qualified to speak would safeguard the position. They are reminders of the day when we were almost entirely a primary producing State. Although the interests of the primary producer are so frequently in danger of being overlooked by the man in the street, they are soon made very real to us when adverse climatic conditions set in, for any shortage of rainfall immediately affects production. However, although our aridity is the highest in the Commonwealth it spurs us on to stimulate production upon which the rest of such progress as we have made has been attained. When we are faced with these periods of low rainfall it is difficult for us as individuals and for those conducting businesses but it is particularly difficult to finance and manage the State and it is there that the Treasurer has to plan most carefully. If anyone needed further evidence in support of this it is amply provided for in the figures of the Statistical Department and in the Auditor-General's annual reports. The requirements for the coming 12 months have to be estimated with care and provision must be made for all likely demands upon the Treasury. As a matter of fact, it seems to me that probably this Supply Bill can be looked upon as almost the most valuable estimate that is set before us. Of course, when we get to the end of the year it is necessary for a red line to be drawn and a balance struck and either a deficit or a surplus decided upon on the net results of the year's achievements. Upon the shoulders of the Treasury rests the burden of ascertaining our financial requirements and of taking the necessary steps to obtain the approval of Parliament.

It is not as easy to calculate the possible further depreciation in the value of money. We have already felt the deterioration that has set in over the last several years and I think we must admit that there is a general fear that the position may become worse. Without using such words as may lay oneself open to being called an alarmist I suggest it is very necessary that we face the fact that

there is not the degree of security in our currency that we would like. During the recent Federal elections it was very evident that there is an apprehension in the minds of most people. The position will not improve unless we take such steps as will result in the purchasing power being stabilized, if not improved. The remedy does not lie along the road of shortening hours. That does not increase the supply of either goods or services.

The Hon. S. C. Bevan—Are you suggesting that our economic stability is not sound?

The Hon. Sir WALLACE SANDFORD—I do not think it is an advertisement for our prosperity that our currency is at a discount of 25 per cent as against sterling. The remedy is to work harder.

The Hon. K. E. J. Bardolph—Men are prepared to work harder in industry but they cannot get work.

The Hon. Sir WALLACE SANDFORD—Unemployment in South Australia is lower today than it has been for very many years. To suggest that men cannot get work is not according to fact. Already in this debate more than one speaker has drawn attention to the danger to our economy of the high cost of production. The outside world will not buy our products if the cost is greater than is asked by other producing countries and to make a catchery of the value of the currency, of which we have heard a good deal frequently, gets us nowhere if we are pushing up with one hand and pulling down with the other. This is very much the problem that the Government and the Treasury is confronted with in drawing up estimates, but it is only one of their problems. The Bill is expected to provide sufficient public funds for two months and by the time that period has expired we sincerely hope that the season which has opened so favourably and propitiously will, by improved production and extended marketing, have lived up to its early promise of success. I have pleasure in supporting the second reading.

The Hon. F. T. PERRY (Central No. 2)—I take this opportunity of congratulating Mr. Jude on his appointment as a Minister of the Crown and I am sure all members hope that he will make a success of the position and that his energy and judgment will result in an improvement, if such is possible, in the Cabinet he is joining. I agree with Mr. Cudmore's submission that the precedents and Standing Orders of Parliament should be safeguarded and that established Parliamentary procedure should

be followed. Any departure tends to weaken the system that has stood the test of time. It is true that the passing of time opens up new problems but even new problems can, with little trouble, be made to fit into recognized Parliamentary practice. This Bill provides for the expenditure of £6,000,000 to continue the services of the State. It is similar to Supply Bills which are introduced annually and it is a formal measure because the House has confidence in the Government. The custom of the House is that only matters of major importance are raised during debate on Supply Bills but we have had a departure from that custom and I agree with Mr. Cudmore that it would be better to have an earlier session of Parliament rather than to overlook recognized procedure. Many extraneous matters have been introduced into this debate and I do not regard any subject which has been discussed as being of major importance to the country, although perhaps it may be of major importance to some members. The correct procedure would be to have the Governor's Speech, Supply, Address in Reply and then Supplementary Estimates or other business the Government desires brought forward. If it means an earlier session, then it is the responsibility of members to attend rather than have Parliamentary procedure upset.

Two things were introduced into the discussion yesterday, both of which had nothing to do with Supply—the flour milling and wheat industries. I do not propose to open up any other subject but merely to address my remarks to some of the arguments raised. On many occasions Mr. Condon has spoken about the difficulties experienced in the flour milling industry, particularly by the employees. However, the owners of the mills and the public are also concerned, because the closing of mills or the reduction from three shifts to two, or one on some occasions, must result in increased costs. Not only do the employers suffer, but also the employees, the general public and the stock raising industry because bran and pollard are not available. This position it to be regretted. I have heard several explanations; the large world surplus of wheat, particularly in North America, record crops in many countries that normally import wheat, and the increased supplies of rice in some markets. They are very tangible reasons and must reflect on any country supplying wheat or flour for export. We must be realistic. In my experience most industries and occupations are subject to fluctuations,

and every decade or so shows a change in their form. We cannot expect an industry to flow indefinitely after it is established, but we must adapt ourselves to changing conditions. Whether control is vested in private employers, the Government or an elected board the responsibility rests on that controlling authority. The ability to adjust an industry to changes is one of the main functions of the controllers and will make for the success or otherwise of the undertaking. We must recognize this fact and come down to earth.

I gather that Mr. Condon blamed the wheat-grower, because he said he was greedy. He also blamed the Wheat Board and the Government, but I think he also recognizes that cost is the controlling factor in the export of flour. This industry is not the only one that is experiencing or expecting difficulty, because the Tariff Board has been inundated with requests for increased duties on imported manufactured articles. Difficulty has also been experienced in selling our primary products and in processing our raw materials such as flour. Higher tariff rates are being requested by manufacturers who have to compete with overseas supplies. It is strange that we have as a people not recognized these facts, or perhaps we do not want to recognize them.

The Hon. F. J. Condon—It is all right for sheltered industries.

The Hon. F. T. PERRY—There are a few of them, but the bulk of Australian people are dependent on one or two of those I have mentioned. We are relying on the price of wool to support and maintain our economy. In Australia there is one Government constituted authority that has the responsibility of considering the economy and welfare of this country, and that is the Commonwealth Arbitration Court.

The Hon. S. C. Bevan—Is that its function?

The Hon. F. T. PERRY—Of course it is. No other body apart from the court and the Tariff Board pays any attention to our main economy except to talk about it. The Arbitration Court has given several recent decisions and has sounded a warning that clearly indicates its anxiety for our future economy. Its decisions are the result of very careful thought by men who have no motive other than safeguarding the welfare of Australia. The court is the only body in Australia with any authority to control the cost structure, yet after a decision is given, a large section of the community is prepared to disregard any warning, and tries to alter the position to their viewpoint by using all the pressure groups

possible both in the Government and outside, by direct and indirect action, to endeavour to urge the court to reverse its considered opinion. As has been said we must all recognize that costs are the biggest factor both in our internal and external trading. The flour milling industry had its warning—the writing was on the wall, but we could not read it. That writing is on the wall for other industries, although Australia at the moment is prosperous.

The Hon. F. J. Condon—What has the Arbitration Court to do with the price of wheat overseas?

The Hon. F. T. PERRY—It has a great deal to do with it. If the overseas price is 14s. 5d. and our cost is 12s. 6d. to 12s. 10d., the Australian community is not losing by that sale. Consequently no great harm is being done at the moment but the flour industry and many others must have some regard for costs. The Federal Arbitration Court should have the respect of all thinking people in this country, and no section of the community should strive to lessen its influence and authority. We will have to sell our wheat at the current world market price, because nobody can control the world price of any commodity.

The Hon. K. E. J. Bardolph—Do you say that the Arbitration Court has been intimidated?

The Hon. F. T. PERRY—I hope it will never be, whether by the Commonwealth Government, the A.C.T.U., the Employers Federation or anyone, because it is the only authority with any power to control our economy. The fact that it has come to these decisions is worthy of the considered opinion and supporting action by the people of Australia. I had expected the Supplementary Estimates to be discussed under this heading, but it does not appear as if we are going to do so. I thought some reply was due to Mr. Condon and I have endeavoured to give it in the hope that he will realize that it is not necessary to give this Council a repetition of all the troubles of the milling industry. We are aware of them, and what he should do is not to spread the troubles but to get at the root of them and try to rectify them from that angle.

The Hon. F. J. Condon—I am not speaking for myself, but for the many people who are concerned.

The Hon. F. T. PERRY—The honourable member can fight fairly and sensibly for the industry, and does. Nothing, however, can be

accomplished by any one ultimately by going directly against the Commonwealth Arbitration Court or any such authoritative body.

The Hon. S. C. Bévan—Who has done that?

The Hon. F. T. PERRY—I read the newspapers and see many statements by recognized Union authorities who criticize the Arbitration Court.

The Hon. S. C. Bevan—The honourable member implied direct action. Give us one instance.

The Hon. F. T. PERRY—I shall not waste the time of the House in expanding that point of view. If the honourable member does not know what is an everyday occurrence he has only to read his newspaper to see what is happening.

The Hon. K. E. J. Bardolph—Give us an instance.

The Hon. F. T. PERRY—I do not propose to be led away into discussing that, but I repeat that Mr. Condon and all Labor Party representatives should have some cognizance

of the authority of the Arbitration Court, especially as this aspect has been introduced by a Labor representative. All leaders of that Party must recognize that what is happening to the milling trade is liable to happen to many other trades if that policy is persisted in.

The Hon. F. J. Condon—I will fight for any other industry as well as for the milling industry.

The Hon. F. T. PERRY—It is useless to kick against the pricks. The honourable member must accept fundamental facts. That is all I wish to say and I hope my remarks will result in Mr. Condon supporting the considered opinion of the authoritative bodies of this country that are seeking to establish a sound and sure economy for Australia.

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

#### ADJOURNMENT.

At 3.20 p.m. the Council adjourned until Thursday, June 10, at 2 p.m.