

**LEGISLATIVE COUNCIL.**

Thursday, October 25, 1956.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2.15 p.m. and read prayers.

**APPROPRIATION BILL (No. 2).**

His Excellency the Governor's Deputy intimated by message his assent to the Act.

**HOMES ACT AMENDMENT BILL.**

Read a third time and passed.

**LOAN MONEY APPROPRIATION  
(WORKING ACCOUNTS) BILL.**

Read a third time and passed.

**COMPANIES ACT AMENDMENT BILL.**

The Hon. C. D. ROWE (Attorney-General), having obtained leave, introduced a Bill for an Act to amend the Companies Act, 1934-1952. Read a first time.

**ASSOCIATIONS INCORPORATION BILL.**

Second reading.

The Hon. C. D. ROWE (Attorney-General) —I move—

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

The purpose of the Bill is to repeal the Associations Incorporation Act, 1929, and to enact other provisions for the incorporation of associations. Legislation of this nature has been in force since 1890 and has proved of great benefit by providing a means whereby churches, schools, and other non-trading institutions may become incorporated and so that the property of the institution, instead of being held by trustees, is vested in the corporation. The Bill proposes to re-enact the present scheme for the incorporation of associations but, in addition provision is made for a number of matters not now provided for in the legislation but which it is considered would be beneficial to be included.

The definition of "association" is contained in clause 4 of the Bill. Included in the term are such as churches, schools, charitable institutions, recreation associations and so on, but it is provided that the term does not include an association formed for the purpose of trading or for securing pecuniary profit to the members. These provisions are similar to those of the existing Act. However, the Bill departs from the existing Act by including in the definition of "association" bodies formed for the purpose of administering funds for payment of superannuation and retiring benefits. The Government is informed that there is a number of these funds and considers that it would be beneficial to permit their incorporation under the legislation.

The Bill provides, as does the present Act, that the procedure to be followed before incorporating an association is to advertise that intention and then to make application to the Registrar of Companies. The Act provides that if any person objects to the incorporation of an association he may apply to the Supreme Court for an injunction restraining the applicant from further proceedings. It is considered that this procedure could prove unduly expensive and the Bill therefore provides that an objection to incorporation is to be made to the Registrar with an appeal from his decision to the local court. In addition, clause 7, as opposed to the present Act, sets out the grounds upon which objection may be made.

Clause 10 is also new law. It provides that the Registrar may refuse to register the incorporation of an association if the name is similar to that of any other incorporated body or a registered business name, if it includes such words as "limited," "proprietary," "co-operative," if its use is prohibited by law, or if it is not in the English language. The clause also provides that, unless the Governor consents to its use, a name is not to contain words such as "Royal," "Queen," "Crown," "Empire," "Commonwealth" or "State." A similar prohibition is contained in the Companies Act.

Clauses 13 and 14 are similar to provisions of the present Act and provide that the incorporated association may hold and deal with property in its corporate name and provide for the transfer of its property from trustee to the corporation.

Clause 15 is a new provision and provides that every incorporated association is to have a public officer. It is obviously desirable that, as regards every body corporate, there should be some person upon whom notices and legal process may be served and upon whom devolves the duty of filing the returns required by the Act to be filed in the office of the Registrar. The present Act places this duty upon the sealholders but, in practice, it is found that a duty placed upon several persons is apt to be neglected by all of them. It is considered that it is desirable, as in the case of companies, to have one person responsible rather than several. It should not be thought that the duties imposed on the public officer by the Bill are particularly onerous, but it is desirable that the person given these duties should be defined. The clause provides that the public officer must be a resident of South Australia. It has occurred that all the sealholders of an association have either died or left the State

and the present Act makes no provision for their replacement.

Clauses 16 to 19 provide that where alterations are made in the rules of an association, notice of the alteration must be filed with the Registrar. Similar notice must be given where an alteration is made in the name or objects of an association.

Clause 20 is new law and sets out the manner in which an association may enter into contracts and clause 21 also enacts new provisions and gives an incorporated association power to act as a trustee for any other association or charitable body to invest moneys in trustee securities, to operate bank accounts and to borrow money.

Clause 22 is also new law. It provides that, after giving notice of its intention, an association may, consistent with its rules, transfer all its property to another association or to a charitable institution. A person interested may object to this action by proceedings in the local court. If property is transferred in this manner the association will then be dissolved. It sometimes happens that an association ceases to be active and the remaining members wish to transfer the assets of the association to some suitable organization and then dissolve the association, but there is often no method, apart from expensive legal proceedings or Act of Parliament, whereby the association may pass over its assets to another association or to some charitable body.

Clause 23 is existing law and provides that where an association holds property subject to trusts, it may apply to the local court for an order, in a proper case, to dispose of the property freed from the trusts. Clauses 24 to 27 are substantially similar to the present Act and provide means for the winding up of an association or the cancellation of the registration of an association. Clause 28 is new law and provides a means whereby two or more associations may be amalgamated.

Clause 29 is identical with section 401 of the Companies Act and provides for the limitation of liability of members of an incorporated association. Section 401 is repealed by clause 3. The remaining clauses in large degree follow provisions of the existing Act and deal with various administrative details such as the service of notices, inspection of documents, the making of regulations and rules of court, and so on.

The Hon. F. J. CONDON secured the adjournment of the debate.

#### PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 24. Page 1167.)

The Hon. E. H. EDMONDS (Northern)—No subject coming up for decision in this Council has caused me more concern or perplexity than the subject matter of this Bill, and I have no doubt that members would welcome, as I would, a declaration that conditions were such as to permit the complete decontrol of prices. Legislation of this nature is not popular and, in some degree, I must concede that it is restrictive. I submit that it would be a sorry day indeed if legislation were concerned only with matters which have a popular appeal to the public. Governments, like parents, are often faced with the necessity of having to be cruel to be kind and to proceed along the lines calculated to give the most benefit to the greatest number, after having given full and careful consideration to every aspect of the matter.

Objection to restraint and undue interference with business is inherent in the character of the average Australian; he hates being pushed around, and he detests being told what he has to do and how he has to do it. His resentment appears to become intensified—another peculiar trait in his character—when any instruction of that nature comes from a governmental authority. We declare ourselves to be champions of freedom and liberty, and I believe rightly so. These are excellent ideals to foster and to enjoy, but they are ideals which definitely carry responsibility. As in every other privilege enjoyed, whether individually or collectively, there are associated responsibilities which we must be prepared to accept and carry.

It is the failure to accept those responsibilities to a very great extent which makes it necessary for legislation of this kind to be on our Statute Book. It seems to me that the implications of price control extend far beyond any personal aspect. In a broad sense, prices affect the State's economy which in turn is wrapped up in State trade. Living standards are an important factor in the problem, and all these things provide reasons which are just and reasonable for the continuation of the legislation. The reasons given in the Minister's second reading speech were founded on the most precise and authentic information and knowledge gained by the Minister and the Prices Department during the period the Act has been in force.

It is impossible for members individually to have a full knowledge of the implications of price control or a full knowledge of the administration of it. Members can, up to a point, make inquiries on some matters, but it is only those in authority, and daily dealing with the many matters which come up for decision, who can have a full appreciation of exactly what it all means. That being the case, we must take on trust much of the information which is given to us. We must have faith in the people who are charged with the responsibility of administering the legislation and carrying out the onerous and exacting duties very often associated with it.

There is nothing new about price control; it was in operation in one form or another long before it became necessary to have it placed under legislative enactment. About 50 years ago the Government of the day felt it was necessary to appoint a Royal Commission to inquire into wheat marketing operations in this State. That commission collected some very interesting evidence, from which it was established that wheat merchants had what was called an honourable understanding with regard to the prices and conditions under which they were prepared to purchase wheat. The understanding went further, because they agreed amongst themselves upon the price that would be paid on certain days or during certain periods. If a merchant desired to buy a parcel of wheat and wished to augment the cargo of a boat that he may have been loading at one of our outports, other merchants very obligingly followed the simple process of dropping out of the market. As a result the first merchant had an open go to get what he wanted. Ever since that time we have had some form of price control.

Sir Arthur Rymill said that trade associations exist today; of course they do, because it is a natural corollary of business that people should combine in their own interests. I do not object to it provided that these bodies do not operate to the detriment of consumers or others in business. During the course of this debate some objections to price control have been submitted. I regard it as somewhat inconsistent that people who are quite ready and willing to accept what might be termed unofficial price control are inclined to throw up their hands in horror at any suggestion that something of that nature should be done by legislative enactment. It has been claimed that price control restricts and has a stultifying effect on trade. In a

leading article in the *Advertiser* of October 12, this statement appeared:—

While the Government's desire to avoid increases in living and wage costs can be understood, Ministers should closely study, too, the stultifying and repressive effects of price regulation on trade and expansion in this State.

An answer to this can be found in a very informative publication circulated by the Chief Secretary in which it is shown that over the years that price control has been in operation there has been a steady increase in many of our industries. The added value to material in treatment by factories in 1950-51 was £67,809,096 which increased to £111,027,712 in 1954-55. In 1949-50 there were 3,046 business establishments, in 1953-54, 3,577 and in 1954-55, 3,759. In 1949-50, 78,436 hands were employed. The number increased to 85,503 in 1953-54, and to 89,565 in 1954-55. Surely that is the answer to people who say that price control has had a stultifying effect on industry.

Further examples of advances in trade can be seen in information about the brick industry. In 1948, red brick production was 46,522,000, and this increased to 72,833,000 in 1955. In 1951, 6,809,000 cement bricks were produced, and 21,801,000 in 1956. This does not indicate that price control has adversely affected this industry. It is also interesting to know the increases granted in the price of bricks since 1948. Cement bricks have increased by £5 8s. per thousand and red bricks by £6 5s. 6d. Those figures refute the allegation that price control has had a detrimental effect upon the expansion of trade. In his speech Sir Arthur Rymill questioned the administration of the Prices Department and said:—

As I understand it, many prices determinations are quite arbitrary, as they are done as a result of an investigation by the Prices Commissioner without giving any hearings whatever or, indeed, without any warning that a determination is actually being made.

It is seldom that I have had occasion to contact the Prices Department, but whenever I have done so I have always found the officers most co-operative, and have received information which certainly does not bear out Sir Arthur's contention. When consideration has to be given to any item an investigation is held, and only in one instance might that have been departed from, and it was not the fault of the department but of the other people concerned in the inquiry, who failed to provide the necessary information. I understand it was not forthcoming because those in the industry were not united about the

overtures being made. Therefore, if any arbitrary action were taken it was not the fault of the department. I would be one of the first to welcome free marketing and the complete abolition of price control. We have a fairly complicated economic system, and under those circumstances we cannot get away from it and so long as these circumstances prevail I will be prepared to give my full support to the measure. We do not know what the future might hold, and therefore we can wait.

It the last few days an article appeared in the *Advertiser* regarding an organization set up in Adelaide under the title of "Enterprise Development Association of South Australia," its announced object being to oppose all forms of Government interference with private enterprise. People have a right to form an association, so long as it is not detrimental to community interests. A meeting of the association is to be held later at which all and sundry are to be invited. It is well that these people should make themselves fully acquainted with the position. I do not know whether the Premier would accept an invitation, but I suggest that these people invite him as he could, as administrative head of the Prices Department, give them some of the inside story regarding price control. I think this would be rather illuminating to many people.

The Hon. Sir Arthur Rymill—They might be able to give him some of the other side.

The Hon. E. H. EDMONDS—Let us have both sides. I would not object to that. These people may intend to invite the Premier to submit the State's side of the question. If they do not, they will have only one side of the story. There are always two sides to an argument, and I am satisfied there are two sides to the question of price control. I have no hesitation in saying that I will support the Bill.

The Hon. K. E. J. BARDOLPH (Central No. 1)—I support the second reading. Had it not been that I knew that Mr. Edmonds was a member of another political Party, I would have imagined his speech, on which I compliment him, emanated from a member of the Opposition. I agree with the re-enactment of this measure. I have heard all the speeches delivered by previous speakers who have been just as fervent in their desire to place their views before the Chamber as I am. It would be a sorry day if members were not permitted to express their views openly upon the floor of the House. Prices legislation had its genesis in the National Security Regulations of the war-time period. Members agreed to it then as I suppose they would tomorrow in similar circumstances.

The Hon. C. R. Cudmore—The Labor Party voted against the whole of national security.

The Hon. K. E. J. BARDOLPH—I do not think so.

The Hon. C. R. Cudmore—I am sure they did.

The Hon. K. E. J. BARDOLPH—I have the voting list and I do not think the honourable member is quite the oracle he would have us believe. We were gearing the nation for war and certain goods were in short supply. Had we been living in that perfect state enunciated by Sir Arthur Rymill and Sir Frank Perry things would have been quite different; there would have been no exploitation or attempts to corner goods needed for the prosecution of the war, but similar circumstances arose after the cessation of hostilities. The National Security Regulations were designed to be in force only for the period of the war, but after it a decision of the High Court was sought and the judges indicated that those regulations were valid for a transitional period. However, in order to make that judgment more definite the Chifley Labor Government in 1947 passed a measure providing for a referendum. I do wish to upbraid L.C.L. members on their attitude to it, because they lost no opportunity of attempting to besmirch the Government's proposal by saying that it would create an authoritarian State, whereas all that the Government sought from the people was authority to control rents, prices and charges.

It is interesting to have on record what the Minister for Labour and National Service, Mr. E. J. Holloway, when introducing the measure said:—

The High Court has held that the extension of the defence power to measures necessary to the economic stability of the country does not cease abruptly with the end of hostilities in a war. The power retains a wide scope during the period of transition from conditions of war to conditions of peace; but the scope of the power is constantly dwindling and it affords a very uncertain basis for measures essential to Australia's economic stability. With this consideration in view the Government sought the assistance of the State Governments, all of which expressed willingness to support the continuation of price controls on a national basis during the post-war transition period. Whilst all States introduced legislation continuing the control of rents and prices for limited periods, in some States this legislation has expired and in others will do so shortly.

Following the defeat of the referendum in 1948 the South Australian Government, supported by members of this House, enacted price control legislation based upon the Commonwealth war-time measure.

I remember that, after carrying on the war and being the island fortress for democracy, Great Britain, under the leadership of a Labor Government headed by Rt. Hon. Clement Attlee, sought a loan from America, planning to spend the money over a period of 12 months in capital goods for rehabilitating factories. However, with the lifting of price control in America immediately after the dollar loan was arranged it was found that the loan was exhausted in six months instead of 12 months as planned. The same circumstances arise in Australia, and we cannot detach this State from the wellbeing of the whole of Australia. Although some members claim that price control retards production, nullifies effort and is bad for business, I submit that despite price control no large concerns have gone out of business and there has been no lessening of production. In support of that I will quote Mr. Holt, the Minister for Immigration, who said:—

Population increase between 1946 and 1954 including both natural increase and net immigration, was 21.0 per cent, but the percentage of increase in stocks of capital was much greater. Manufacturing output has more than doubled in physical volume since 1938-39 and is approximately two and a half times as great as the average of the period 1936-37 to 1938-39. Steel production has increased 83 per cent, cement production 75 per cent, refined copper 200 per cent in five years; paper and paper pulp production doubled in eleven years, newsprint production doubled in five years; we now have efficient motor vehicle and oil refining industries. That rural investment has shown similar trends is demonstrated by the fact that the number of farm tractors was increased by 155.3 per cent. The average annual production of wool for the three pre-war years was 2,850,000 bales; the forecast for 1956-57 production is 4,500,000 bales.

The Hon. E. Anthoney—And prices have increased by 100 per cent.

The Hon. K. E. J. BARDOLPH—The honourable member will agree that the primary producer is entitled to receive fair value for his products. Labour stands for that, but in my opinion this Government has used this legislation for the purpose of keeping down wages.

The Hon. Sir Frank Perry—Who told you that?

The Hon. K. E. J. BARDOLPH—No one, but it is true. After cornering the market in potatoes the merchants applied for an increase in the selling price and it was allowed. The same thing applies to other necessities such as onions, and never in the history of the Statistician's Department have we had the statistician leaving out two such important items from the C Series index.

The Hon. E. Anthoney—How can the honourable member support a measure that he says is going to depress wages?

The Hon. K. E. J. BARDOLPH—I am supporting it because in some measure it will deter the people who would otherwise take advantage of the position and further increase prices, thus lowering the real wages of those in industry. It is illuminating to read that retail prices in the C Series index rose by 73.04 per cent between 1948-49 and 1954-55, and wholesale prices rose by 76.8 per cent. Since the war the actual weekly earnings per worker throughout the Commonwealth have increased by only 27 per cent in real terms.

The Hon. A. J. Melrose—You have reduced wages to real terms; why don't you reduce prices to real terms as well?

The Hon. K. E. J. BARDOLPH—The increase in wages has only been 27 per cent. It may be said by some members that some of the Labor States have abolished price control. I point out that it is not true to say that Queensland and New South Wales have abolished it; all they have done in those States is suspend the activities of the Act, but the provisions can still be used. Those States have the same right as we have in this Act to re-declare goods and to refix selling prices. I ask the Minister in charge of the Bill why the prices committees for which provision is made in the legislation have not been set up. I have heard a lot of criticism of the Prices Department, but I say quite freely that I have the utmost confidence in it. I had the utmost confidence in Colonel McCann when he was Commonwealth Prices Commissioner during the war, and afterwards when he was the State Prices Commissioner and the present Commissioner, Mr. Murphy.

The burden and responsibility could be removed from the shoulders of one man if the Government would set up the committees provided in the Act. There could be a real survey, and all sides could be heard and a price determined which would be fair and reasonable to all concerned. The Government set up committees during the war and they worked very effectively. I ask the Minister why the Government is not availing itself of the full provisions of the Act, instead of leaving it to the Minister and passing the responsibility to the Prices Commissioner to determine prices from time to time. These committees would surely enable price control to be carried on in the most effective way.

I think it was Sir Frank Perry who interjected in the early stages of this debate and said something with which I heartily agree.

He said that when there was a popular decision the Premier received all the publicity, but when it was unpopular the decision was always announced by the Prices Commissioner.

The Hon. Sir Frank Perry—I merely re-echoed what Mr. Bevan said.

The Hon. K. E. J. BARDOLPH—The honourable member was following a very good man. I quite agree with some of the statements made by members opposite who oppose this Bill. I appreciate that some are just as desirous as the Party I represent of seeing price control work efficiently and effectively. I think the approach to the problem should be the same approach as that made by members of the Opposition in this House, led by Mr. Frank Condon. If all members would support our contention and viewpoint I am quite convinced that the working of this Act would be more efficient.

Price control can only be effective on a national basis. The essential goods and articles used in the home, whether imported or manufactured, must be subsidized on a national basis to keep prices down. The Chifley Labor Government did that. There has been some fear expressed in this Council that costs follow wages, and that wages are always on the up and up. In reply to that I say that we believe in wage fixing tribunals, one of which is holding an inquiry at present. They can go into every detail of prices in fixing a living wage for a man and wife and perhaps two children. Those tribunals take the essential commodities into consideration. I claim that it is a question of wages trying to catch up with costs, because even with the quarterly adjustments which we once had the workers in industry were always one quarter behind when the increase was granted.

The Hon. A. J. Shard—Four months, in fact.

The Hon. K. E. J. BARDOLPH—That is so. In no State of the Commonwealth do the manufacturers receive such co-operation from the organized trade union movement as they do in South Australia. That is a statement that cannot be denied by any member in this Council.

The Hon. Sir Frank Perry—The Tramways Trust would not agree with that.

The Hon. K. E. J. BARDOLPH—I am not dealing with that issue, but with the question of price control in South Australia.

I now come to a recent decision made by the Prices Commissioner in relation to chemists. I may be a little partisan in this issue, although I am not financially interested; my only interest is because two of my children

are pharmacists, for which I had to educate them. I believe that pharmacists in this State have been used by the Chamber of Manufactures to keep wages down. Many years ago there was an association of qualified and unqualified pharmacists. These people were under a wages board, of which the Assistant Parliamentary Draftsman was chairman.

It takes four years' study at the University to become qualified in pharmacy. Pharmacists know more about pharmacy and pharmacology than the medical profession, and in saying this I do not wish to be disrespectful to that profession. Pharmacists have the responsibility of compounding medicaments and dispensing medicines. After a doctor's scrip has been delivered to them and dispensed, it is their responsibility, not the doctor's, if a lethal dosage has been prescribed and the patient dies as a result. A pharmacist has a protection in that, if he thinks the doctor has prescribed a lethal dose or that the drugs are not prescribed in the correct proportions, he can hand the prescription back to the doctor without any professional impropriety and indicate that he desires him to dispense it himself.

I mention this to show the responsibility on the shoulders of pharmacists, who are just as much a part of the medical profession as medical practitioners. In 1953 an application was made to the wages board by the union covering registered and unregistered pharmacists, and shop assistants in the employ of pharmacies, and after exhaustive inquiries the chairman made a new determination to increase wage rates to chemists to approximately £17 5s. a week of 40 hours.

The PRESIDENT—Is the honourable member going to couple this up?

The Hon. K. E. J. BARDOLPH—I am to this extent, Mr. President, that I will quote the increased charges. It was reported in the press that the Premier had re-introduced price control over chemists, and I am indicating the course of study pharmacists must follow to become registered. The board unanimously also increased the rates for female pharmacists working in pharmacies, and embodied a provision for 12 days' sick leave in the determination. The wages board consisted of three representatives of employers, three of employees, and the chairman I have already mentioned, and its determination was in operation for approximately nine months. When the Chamber of Manufactures intervened, one of the employers' representatives resigned from the board.

The Hon. C. R. Cudmore—How did the Chamber intervene?

The Hon. K. E. J. BARDOLPH—The wages board had issued a determination for shop assistants in pharmacies.

The PRESIDENT—Order! The honourable member must come back to the Bill.

The Hon. K. E. J. BARDOLPH—After the representative resigned, the Chamber of Manufactures appointed one of its representatives on the board. In order to keep wage rates down, the chamber classed a profession as a production industry for the specific purpose of keeping wage rates down. Unfortunately, the Chemists' Guild unwittingly fell into the trap because, when the new member came on the board, he asked the chairman to defer the operation of the determination, stating that he wanted a review of the rates paid to shop assistants. At a result, the chairman agreed to state a case to the State Arbitration Court.

The PRESIDENT—Order! That may be a fact, but it has nothing to do with the subject.

The Hon. K. E. J. BARDOLPH—It has to this extent—these are the people whose prices have been fixed.

The PRESIDENT—That is not sufficient connection.

The Hon. K. E. J. BARDOLPH—I have not completed my story, Mr. President. The livelihood of these people depends on the fixed prices of the articles, and I am indicating how they, whether unwittingly or not, fell into a trap to keep wages down.

The Hon. Sir Frank Perry—These people are not dispensers.

The Hon. K. E. J. BARDOLPH—I know they are not. However, when the chairman granted permission for wage rates of shop assistants to be reviewed, the matter went to the court, which reviewed all the rates, including pharmacists'. The Pharmacy Guild then made a statement in the press that because of increased wage rates, costs would have to go up, but there were no increases in wage rates. The rates declared by the wages board were much lower than employer pharmacists were paying to registered pharmacists: it is not possible to get the services of registered pharmacists for less than £30 a week.

The Hon. Sir Arthur Rymill—You were going to tell us whether you thought chemists' prices should be controlled.

The Hon. K. E. J. BARDOLPH—I will come to that. The Labor Party always stands for payments of margins for skill. It has been said that registered chemists get enormous prices for dispensing one scrip or for

counting out pills. That might be so if the pharmacist controls four or five shops, but when there is only a man in a pharmacy it is quite different. I want to tell this story—

The PRESIDENT—Order! The honourable member must come back to the Bill. We are not discussing the Pharmacy Act. If the honourable member has any other points, he can now make them.

The Hon. K. E. J. BARDOLPH—I regret that you take that stand, Mr. President, because pharmaceutical prices have been fixed by the Prices Commissioner. Mr. Edmonds mentioned wheat, although we were not discussing wheat. I only wish to tell my story fully.

The PRESIDENT—The honourable member cannot tell it in full if that is what he intends to tell. There is nothing in this Bill about the Labor Party standing for margins for skill.

The Hon. K. E. J. BARDOLPH—I have dealt with one part of it.

The PRESIDENT—Then get on with the other.

The Hon. K. E. J. BARDOLPH—This is one phase of price fixation. The Prices Commissioner in some cases is not in a position to fix prices. As an example, I mention a case that occurred recently in which a certain drug was ordered by a doctor for a woman at death's door. The doctor prescribed 15 tablets, but the chemist had to purchase 100, the balance of which will be left on his shelves for years. How could the Prices Commissioner fix a proper price for dispensing that scrip? I am upbraiding the Government for not bringing in the full provisions of the Bill with regard to setting up prices committees.

The Hon. Sir Arthur Rymill—Do you think chemists' prices should be controlled or not?

The Hon. K. E. J. BARDOLPH—If one section of a profession is controlled, why not control the lot? A doctor in the country where there is no chemist could under the present system dispense his own prescriptions without there being any price control over him. It is impossible to expect the Prices Department, with its small staff, to carry out fully the provisions of the Act unless these committees are established. Sir Arthur Rymill has an amendment to set up an appeals board, but if these committees were appointed there would be no need for such a board, because all phases of the position could be presented by people cognizant with the particular article, the price of which was to be fixed.

I have before me a list of wholesale prices for certain chemists' items as from December 1, 1955, to August 1, 1956. It shows for instance, that the price of oily acetone per two ounce bottle has increased from 1s. 11d. to 2s. 2d., an increase of 12.5 per cent. The items I am referring to are used in every day dispensing. The price of some has increased by 20 per cent, 96 per cent, 11 per cent, 55 per cent, 25 per cent, 33½ per cent, and 50 per cent and for terpineol the increase was 250 per cent. I know that some honourable members will say that these increases could be passed on by the pharmacist to the customer, but that does not help to keep down the price of goods and the inflationary spiral. The prices referred to are those of the wholesale houses.

I should like to know from the Minister whether the Prices Commissioner has any authority to regulate those charges. It may not be known to members that a chemist cannot now go to a wholesale house to buy small ointment jars in lots of three or four dozen, but must buy a gross, so it means that much capital is needed. The Government should see that something is done in accordance with the suggestions made by members of the Opposition. I support the second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary)—As would be expected, the measure, which is of such vital importance in the economy of the State has been well debated, and one could say that the debate has been on very formal lines. As is customary, the affirmative speaker puts his case, the negative speaker submits his, and the affirmative speaker then replies. I do not suppose that any word of mine at this juncture would make any difference to the vote which will be cast, no more than the inference in the press that the Premier has more or less run the rule over his Party members as to how they are to vote. That is a most extravagant claim. Although I respect the ability and capacity of the Premier, I think every member in this House is capable of making up his own mind, and am sure he will vote according to his own conscience.

It has been said that it was war-time legislation and therefore there is no justification for its continuance. If we could maintain conditions static, there would be little reason for an assembly such as this is to meet continually to make decisions to meet the requirements of the State according to circumstances. Conditions have changed which

justify further consideration of this measure. I think I am sound in saying that the influx of population since the war and the development of industry here are something which have never been accomplished in the history of any other country at any time. So, we are working under conditions which are somewhat different from the ordinary.

There has been a terrific demand for goods, which has not been met, and there is not the stability in prices one would have under normal conditions. While the debate has been progressing I have been interested to see headlines in the press on what we were discussing. It was pointed out that because other States had done certain things we should fall into line. We rather pride ourselves on our capacity to take the initiative ourselves, rather than follow something which is done in another State. I saw the heading in the press, "Costs 'Blackest Cloud' Now" under which appeared the following:—

Financial policies of both Federal and State Governments had been anything but helpful, the chairman of directors, Mr. Warwick Fairfax, said today at the first annual meeting of John Fairfax Ltd. in Sydney. He said it must be realized the prospects of the company depended upon the economic prospects of Australia and of New South Wales in particular.

"You will realize that the sky ahead of us is certainly not without clouds," he said. "The biggest and the blackest cloud is this: That costs are now rising sharply while the public are spending less."

That would give the impression that everything is not well in the eyes of Mr. Fairfax. Another heading in the press was "Onions could Wreck Government" and then followed:—

Sydney, Wed.: The financial stability of the Cahill Government could be wrecked by the price of potatoes and onions. These prices have exerted an extraordinary influence on the cost-of-living figures over the past nine months. Trade union leaders, who expressed this view privately today, said it was an argument for the re-introduction of price control, which the Premier, Mr. Cahill, will be asked to urge strongly at the Premiers' talks.

The price of potatoes and onions, according to the view of employers who will ask the court to fix the November basic wage rise at 1s. a week, accounted for 10s. of the 11s. which, unless legally challenged, will be added to the State basic wage of last month. Here is how the price of potatoes and onions has affected cost-of-living figures:—

It accounted for more than half the March quarter increase of 2s., more than a third of the June quarter increase of 7s., and nearly half of the September quarter's 11s.

The difference between a rise of 1s. and 11s. represents £3 million yearly to the State Government's finances, because each extra shilling puts another £300,000 into State Government employee's pockets.



I think that some of the remarks made in the debate were due to lack of information, and I therefore believe that the true picture should be given. I have investigated some of those remarks. The first was by Sir Frank Perry, who expressed the view that price fixing had developed into price control. He also intimated that the brick industry had been suppressed and made a statement regarding the control of chemists' fees. We have also heard other references to chemists' fees, and because of something I read in the press this morning that these fees had been controlled without any knowledge or reference to the chemists, I felt that the truth should be made available.

As to the claim that price control amounts to profit control, I find that it is not borne out by the financial reviews of industries or groups of traders under price control, as these reviews disclose that the upward trend in profits in the last few years has been practically identical for companies whose commodities are not subject to price control and those companies or industries whose commodities are subject to price control.

Clothing is one item which is under price control, and in the last few weeks three big companies who sell a wide range of clothing commodities in the city have announced record years with increased profits. As regards the brick industry, since 1948 it has been granted no fewer than 10 price increases totalling ££ 5s. 6d. a thousand for red bricks, as against an increase over the same period of £5 8s. granted to manufacturers of cement bricks.

The Hon. F. J. Condon—Is that since wages were pegged?

The Hon. Sir LYELL McEWIN—It is since 1948. The present price of cement bricks is £13 5s. 6d. a thousand and the price of red bricks ranges from £14 2s. 6d. to as high as £27 a thousand, according to the various categories. Despite the fact that cement brick prices are considerably lower than those of red bricks, cement brick manufacturers have not made a request for an increase in price during the past three years, showing that they had been well satisfied with the lower price fixed. The net profit of one group of manufacturers making red bricks increased from £10,119 in 1948 to £84,750 in 1955. The net profit of another group of manufacturers making red bricks in the metropolitan area increased from £23,578 in 1951 to £54,866 in 1955.

The Hon. A. J. Melrose—On the same capital?

The Hon. Sir LYELL McEWIN—Possibly, following general practice, some premium shares may have been allotted in that time. This is a further classic example that price control cannot be classed as profit control, or that the brick industry has been harshly treated or suppressed. The financial position of wholesale grocers, who are subject to price control, has shown a continued upward trend in profits. Paint manufacturers, who are subject to price control, have also shown a distinct upward trend in profits, and prices of paint in this State are considerably lower than in neighbouring States. The rubber industry, which is also subject to control in this State, has also shown an upward trend in profits and dividends, and only recently record years for three major manufacturing companies were published in the press.

I will not weary members with all the detail but will pass on to another item that has been freely mentioned in this debate, namely, chemists' charges. Mr Cottrell, a dispensing chemist of Adelaide, said on August 30:

Recontrol had been done without any inquiry into the facts of the case. Chemists had not been notified before it was announced in the press. This clearly shows that the Prices Branch does not even hear the defendant's case before taking action while the defendant has no right of appeal.

The position is that the chemists held a meeting to discuss the position, which indicates that they knew something about it. In order to put them into the picture at their meeting the Prices Commissioner wrote a two and half page foolscap letter to the guild's solicitor explaining the position which led to recontrol and asked that the letter be made available in its full text to the chemists at this meeting. The guild's solicitor handed the letter to the executive of the guild, but I understand that the letter was not read to the meeting. As a result of the suppression of the Prices Commissioner's letter, which he intended that all chemists should be aware of, it is understood that the chemists passed a resolution regarding what they considered to be the hasty action of the Prices Commissioner in recontrolling chemists' charges. Had the Commissioner's letter in full been read to the chemists they could not possibly have arrived at such a resolution. Chemists' charges were under consideration by the department for approximately two months before a decision was made. It has been noted that the Victorian Government has ordered an investigation into chemists' charges in that State following widespread complaints. If members

would like to read all the interesting material regarding that I suggest they look up the Melbourne *Argus* which tells us something about it.

I think that in fairness to the Prices Commissioner I should inform the Council that the letter dated August 30, 1956, to which I have referred—

The Hon. C. R. Cudmore—But that was after reconrol.

The Hon. Sir LYELL McEWIN—I think I had better read the letter because it covers a period of two months. It has been said that no one knew anything about it, but I will read the relevant parts, omitting the preamble:—

- (1) Following a number of complaints that chemists had made considerable increases in dispensing fees, I first wrote to the guild on July 3 requesting certain information.
- (2) By letter dated July 4 the secretary briefly replied acknowledging receipt of my letter dated July 3 and advised that it would be brought before the committee at its next meeting. No indication was given as to when this meeting was to be held. The secretary also enclosed a list of names and addresses of chemists operating in South Australia.
- (3) As nothing further had been heard from the guild in response to my letter of July 3, officers of this department interviewed two executives of the guild separately on July 24 to ascertain specific information which, in the case of each interview, was sought by the method of question and answer. Recorded reports by my officers of these two interviews disclosed what appeared to be evasive replies to most of the questions asked. As a result very little information was gained apart from a list of the increased dispensing fees, which was handed to my officers by one of the executives interviewed.
- (4) I would point out that at this stage, whilst the department was endeavouring to ascertain information from the obvious sources, a number of complaints both verbal and written, had been received, and pending receipt of the information sought from the guild finalization of the complaints was being unnecessarily delayed.
- (5) It should have been evident to executives of the guild that the furnishing of certain information requested was most necessary and despite the delay occasioned, I was still confident that the full information earlier sought would be supplied.
- (6) By letter dated August 15 I again wrote to the secretary of the guild referring to my original letter of July 3 and pointing out that all the information sought had not been received. I also asked for additional

information and stressed that the information requested was urgently required.

- (7) The information required was only received late on August 29 as attachments to a letter from the guild's solicitors, and although all the information has still not been furnished, I am satisfied that the data which has now been supplied has been given to the best of the guild's ability. This however, has only been received since the intention to reconrol chemists' charges was made known.
- (8) The decision to reconrol charges was not made without full consideration and the information which the guild was unable to supply was sought, obtained and confirmed from other sources.
- (9) It is further advised that on July 12 this department called up by individual letters the financial accounts of a panel of 25 chemists. On July 30 reminder letters were sent to several of these chemists and to date 15 sets of accounts have been received. Only two sets of the accounts received have been audited.

After giving full consideration to the submissions made by the guild's solicitors I see no reason why the decision to control certain charges as earlier announced should be varied and have recommended accordingly.

For the information of the guild and to assist in its administration it is advised that as from today by issue of proclamation the following items are subject to price control. Then followed the details of the items reconrolled.

The Hon. K. E. J. Bardolph—Why not place them on record for the information of members?

The Hon. Sir LYELL McEWIN—That was all done in the proclamation. However, it was as follows:—

Drugs and chemicals (including ethical prescription proprietaries) of British Pharmacopeia Codex, United States Pharmacopeia, and Australian Pharmaceutical Formulary Standard for Pharmaceutical purposes. Compounding and dispensing drugs and chemicals.

Fees for the compounding and dispensing of drugs and chemicals will be pegged back to those rates which were prevailing at April 30, 1956. This will apply also to the supply of all drugs, chemicals, and other materials used in dispensing and compounding.

The margins on ethical proprietary pharmaceutical preparations will be fixed as follows:—

	Margin on cost. per cent.
Where the cost does not exceed 10s. 50	
Where the cost exceeds 10s. but does not exceed 20s. . . . .	40
Where the cost exceeds 20s. . . . .	33½

I believe that within the last day or two something has been done and I would not suggest that they are the figures that apply now. It is unfortunate that the information was not made available earlier, but I think that applies more to those percentages than to anything else.

Sir Arthur Rymill made a number of statements which call for a reply. Firstly, he implied that prices are arbitrarily fixed by one group of men without there being any possibility of appeal. Secondly, he expressed the opinion that the difference between prices of commodities in this State and other States was so infinitesimal that it could hardly justify the cost of administering the control. Thirdly, he maintained that the action taken to re-control clothing was not justified and, fourthly, he referred to information given him to the effect that the tea trade was not given the opportunity of implementing a reduction because it was enforced before it was due.

The claim that prices are arbitrarily fixed by one group of men without there being any possibility of appeal shows a complete lack of understanding of how the department functions. Only the most experienced and competent officers are used by the department for price fixation work; a boy is not sent to do a man's errand. These officers, who are, in the main, senior investigation officers, prepare submissions following investigations based on facts. The officers' reports are subject to close examination by two senior officers before the report reaches the Commissioner, who, in turn, examines the report and closely questions the three officers concerned.

The Commissioner sets out to achieve a unanimous decision, and this is how the majority of decisions are arrived at. Many of the applicants, particularly the larger industries, are given personal hearings by the Commissioner himself before decisions are even made, and it is an every-day occurrence for the Commissioner to take conferences varying from an hour to three hours according to circumstances, to give applicants an opportunity of stating their case before making a recommendation. I understand that appeals would not result in more than one per cent of the decisions given.

The Hon. K. E. J. Bardolph—Do they appeal to the Minister or the Prices Commissioner?

The Hon. Sir LYELL McEWIN—Sometimes the Commissioner and sometimes the Minister. When an appeal is made, the Commissioner gives the appellant a personal hearing and

then directs either his number two or number three officer in the department to completely review the position and report back to him. Where appeals are made direct to the Minister he invariably grants a hearing and calls for a personal written report from the Prices Commissioner, together with the subject file which he examines closely. Price fixations and appeals are based on fact. Some appeals are upheld and invariably this is a result of the appellant having furnished additional information to support the case. The time taken in arriving at price fixations or reviewing appeals does not result in losses, because the time factor is taken into consideration when decisions are made. The majority of decisions made are given within a week or two at the most from the date of the application being made.

The Hon. Sir Arthur Rymill—It took about three months to get a decision on superphosphate this year.

The Hon. Sir LYELL McEWIN—That may be so. If the necessary information is not given a decision cannot be made. It was a very valuable decision when it was made, and represented nearly £500,000 to the consumers in this State. Many decisions are given within two or three days. On those applications on which undue delays are claimed, this is invariably caused by the applicants failing to furnish the necessary information required, and in some cases furnishing conflicting or doubtful information which requires close investigation.

With regard to the claim that the difference in costs was infinitesimal, I will take an example of an average family of a husband, wife and three children. The weekly saving to the Adelaide housewife on a few essential commodities in comparison with Melbourne and Sydney is 6s. 9d. and 5s. 9½d. a week, respectively. The items are:—

	Difference in favour of Adelaide.	
	Sydney.	Melb.
Bread . . . . .	0 5	1 3
Butter . . . . .	0 1	0 3
Rolled Oats . . . . .	0 1	0 1
Plain Flour . . . . .	0 3	0 4
Self-raising Flour . . . . .	0 5	0 2½
Tea . . . . .	0 2	0 3
Beef . . . . .	2 6	2 6
Mutton . . . . .	1 10½	1 10½
	5 9½	6 9

A few other items which are cheaper in South Australia than the eastern States and on which the savings are more than infinitesimal are salt, by 1d. to 2d. lb.; cheese, 9d. to 11d. lb.; blankets, up to

14s. a pair; firewood, £2 18s. a ton; men's shoes, up to 7s. a pair on identical brands; women's shoes, up to 6s. 9d. per pair on identical brands; and cotton fabrics, by up to 2s. a yard.

The statement that the tea trade was not given the opportunity of implementing a reduction because it was forced before it was due is not correct. The price reduction made by the Prices Department in February this year was based on the weighted average cost of stocks actually held by the tea merchants at the time. The cost of stocks still to arrive was not taken into consideration in reaching this decision. If the department had taken into account the cost of stocks to arrive, the resultant price reduction would have been an additional 1½d. a pound. My statement in moving the second reading that the reduction made in South Australia resulted in a saving to consumers in other States of £450,000 per annum was not guesswork but was based on figures. The annual consumption of tea in Australia is 60,000,000 lb. of which nine-tenths or 54,000,000 lb. would be consumed outside South Australia. Based on an interstate reduction of 2d. a pound—it was actually as much as 4d. a pound in some instances—the resultant saving to consumers in the other States was £450,000 per annum.

Up to the time the reduction was implemented in South Australia, there was not the slightest hint of a likely reduction in any of the other States. However, within 24 hours of the South Australian reduction being announced tea merchants in other States suddenly found that they were able to make a reduction also. The inference that the reduction in July was only made because free traders in New South Wales and Victoria had reduced their prices by 2d. per pound is also not correct. The department, being aware that market prices had continued to ease since February, had already called upon merchants to supply costs of stocks held prior to any announcement of a price reduction in other States. A survey of the costs of these stocks disclosed that a reduction of 2d. a pound was warranted. The statement that the Commissioner included second grade teas to average out the quality of our first grade teas is difficult to understand. I cannot obtain any information from the Prices Department to support that, because South Australian tea merchants do not packet any second grade tea.

The action in recontrolling clothing was questioned, and C series figures were given to show that the index rating for clothing rose by 7.9 per cent during the period of decontrol from March, 1952, to June, 1955. What was omitted was the relationship of this increase of 7.9 per cent to the cost of living which was equal to 5s. 5d. per week. No reference was made to the clothing index rating falling by the equivalent of 1s. a week during the subsequent period of recontrol. While on the question of clothing, it is significant that during the period of recontrol in South Australia, the clothing index rose in three States where there is no price control by up to 1s. a week, whereas in Queensland and South Australia, the two States with price control, clothing declined by 5d. a week in Queensland and 1s. a week in South Australia.

Speaking in support of the Bill, the Honourable Mr. Condon, whose knowledge of the milling industry is recognized in this Chamber, stated that the Prices Commissioner recently granted an increase of only 2s. 8d. a ton on flour to South Australian millers, whereas millers in some other States under similar awards received increases of 30s. to 35s. a ton. I think the honourable member was considering the question of wage fixation rather than price adjustment. In order that honourable members should know the circumstances, the matter was referred to the Prices Commissioner who reported that on June 20, 1956, the local millers applied for a net price for flour of £30 16s. 8d. a ton, which incorporated an increase of 2s. 8d. a ton. The Commissioner granted this increase in full on July 9. I think everyone would agree that the Prices Commissioner could not be expected to do more than approve the amount of increase which the millers themselves applied for. It was not due to any reduction by the Prices Commissioner.

The Commissioner also advised that in November, 1953, application was made for an increase of £5 2s. 3d. a ton due to the increased price of wheat. After allowing for lower bag prices which had not been taken into consideration by the millers, the Commissioner approved an increase of £4 18s. 9d. a ton, which was equivalent to the actual cost increase. In August, 1954, an increase of 15s. a ton was granted due to a reduction from three shifts to two shifts a day. In June, 1955, an increase of 7s. a ton was sought to cover increased costs. After investigation had disclosed that 5s. a ton was

sufficient to cover these additional costs, the Commissioner increased the price of flour by this amount. In effect, the Commissioner has, since November, 1953, given millers a total increase of £5 6s. 5d. a ton on flour, compared with the £5 8s. 5d. requested.

In the circumstances, I think the honourable member will agree that the employees should not have suffered on the assumption that the flour millers have been harshly treated by the Prices Commissioner. With regard to interstate prices of flour referred to by the honourable member, these apply to States where there is no price control. If there were price control, however, it is more than possible that prices would be considerably lower.

The Hon. F. J. Condon—They asked for £3 in New South Wales; they were offered 30s., and told that if they increased it by more than that it would be recontrolled.

The Hon. Sir LYELL McEWIN—In Queensland, which is the only State besides South Australia where price control operates, the gross price of flour to millers is £31 a ton and not £33 15s. as quoted by the honourable member. After allowing for discounts, the net price in Queensland is £30 15s. a ton, compared with a net price of £30 16s. 8d. in South Australia. Mr. Condon's figures may have been right but did not take discount into consideration. There is 1s. 8d. a ton difference in the price between Queensland and South Australia in favour of South Australia.

As I said earlier, I think the debate has indicated that every member has considered the Bill sufficiently to make up his mind. My only purpose in speaking was to make further explanations and correction to some of the remarks made in the debate. I thank members for the attention and consideration which they have given to this important legislation.

The Council divided on the second reading.

Ayes (12)—The Hons. K. E. J. Bardolph, S. C. Bevan, J. L. S. Bice, J. L. Cowan, E. H. Edmonds, N. L. Jude, Sir Lyell McEwin (teller), the Hons. W. W. Robinson, C. D. Rowe, A. J. Shard, C. R. Story, and R. R. Wilson.

Noes (5)—The Hons. E. Anthoney, C. R. Cudmore (teller), A. J. Melrose, Sir Frank Perry, and Sir Arthur Rymill.

Pair.—Aye—Hon. F. J. Condon. No—Hon. L. H. Densley.

Majority of 7 for the Ayes.  
Second reading thus carried.

In Committee.

Clauses 1 and 2 passed.

New clause 2A—"Enactment of ss. 24a-24c of principal Act."

The Hon. Sir ARTHUR RYMILL—I move to insert the following new clause—

2a. The following sections are enacted and inserted in the principal Act after section 24 thereof:—

24a. (1) For the purposes of this Act there shall be a board to be called "The Prices Appeals Board," the members of which shall be appointed by the Governor. The said board is in this section and in sections 24b and 24c called "the board."

(2) The board shall consist of three persons, namely—

- (a) a chairman;
- (b) one person appointed by the Governor to represent sellers of goods and providers of services; and
- (c) one person appointed by the Governor to represent consumers of goods and services.

(3) Each member of the board shall hold office for such period, and on such terms and conditions as to remuneration and otherwise as are fixed by the Governor. A member of the board shall not be subject to the Public Service Act, 1936-1955.

(4) The Governor may dismiss a member of the board for neglect of duty, dishonest conduct, or incapacity.

(5) Every appeal shall be considered by all members of the board, but a decision concurred in by any two of them shall be deemed to be a decision of the whole board.

(6) Subject to the regulations, the board shall determine its own practice and procedure.

24b. (1) Any seller of goods or provider of services, or any association of any such persons may, by notice of appeal, appeal against any order under this Act, or any part of any such order, by which prices of goods sold or services provided by the appellant, or any of its members, are fixed.

This right of appeal applies to orders made either before or after the passing of the Prices Act Amendment Act, 1956.

(2) An appeal shall not be considered unless the notice of appeal is delivered to the board and the Minister either—

- (a) within seven days after the order appealed against came into operation; or
- (b) at some time after the expiration of six months from the day when the order came into operation (whether before or after the passing of the Prices Act Amendment Act, 1956).

(3) A notice of appeal shall—

- (a) state whether the whole order is appealed against, or a part only, and if a part, what part;
- (b) set out shortly the grounds of appeal.

(4) The board shall give the appellant and the Minister a reasonable opportunity to submit relevant evidence, information and arguments concerning the subject matter of the appeal and may itself obtain any such evidence or information.

(5) The power to make regulations conferred by section 51 of this Act shall include power to make regulations for securing the attendance of witnesses before the board, and for compelling them to answer relevant questions, and for securing the production of documents and for empowering the board and its officers to inspect premises goods chattels records and documents.

24c. (1) After hearing an appeal the board may make an order providing for such of the following things as it deems just, namely—

- (a) dismissing the appeal;
- (b) altering the order or part of an order appealed against;
- (c) revoking the order or part of an order appealed against;
- (d) substituting any order or provision for any order or part of an order revoked by the board.

(2) The board may summarily dismiss any appeal if it is of opinion that the question in issue has within six months before the making of the appeal been determined by the board on an appeal.

(3) Every order made by the board shall be forthwith published in the *Gazette*.

(4) An order of the board by which prices are fixed shall set out the period during which each such price is to remain in force: Provided that the board may at any time revoke or vary an order made by it, if it is satisfied that owing to changed circumstances it is just to do so.

(5) An order made by the Minister shall, to the extent to which it is inconsistent with an order of the board, be invalid.

A right of appeal is fundamental in our British system, but this Act gives no right of appeal or re-hearing. There is a right to appoint committees, but as these only report to the Minister, they do not constitute appeal bodies. The Premier has stated that as Prices Minister his door is always open and knowing his assiduity and conscientiousness I have no doubt that that is so, but that is not a right of appeal, because he is the person who fixes prices, either personally as Prices Minister or by his delegate the Prices Commissioner. Even if he is prepared to re-open a matter—and he is under no obligation to do so—that could not be called a right of appeal. It would be similar to one of the parties to an action being appointed to judge it.

Some opponents of this amendment have suggested that they are unhappy about it because it is likely to give a further air of permanency to the legislation. I can understand that objection, and I have no intention of giving any further permanency to it—far from it. The suggestion that an amendment of this nature should not be passed for that reason sounds to me reminiscent of the man who is

prepared to commit suicide because someone has threatened to kill him. It is fairly apparent from the vote on the division that the legislation will continue, so it behoves members to make the Bill as good and just as possible. The lack of a right of appeal can only be justified on grounds of expediency, so I cannot see how a body of the extremely high standing of this Council can support it in all conscience. Even if the legislation will last only another year, every attempt should be made to bring about justice. We have a duty to see that justice is provided, which is the aim of my amendment.

The Hon. S. C. BEVAN—I oppose the amendment. This legislation is used from time to time for political window-dressing. I think all members know what would happen if the legislation were defeated, and that is the purpose of this amendment. The mover said that he believes in British justice and in rights of appeal. I also believe in rights of appeal, but the statement that there is no appeal against the commissioner's decision is not correct. The Chief Secretary spent a great deal of time to tell this Chamber that representations could be made to the Minister, and that this right has been availed of on many occasions. Mention was made of increased prices charged by pharmacists, but although there was a great deal of lobbying I do not believe any representation was made to the Minister by the Pharmaceutical Guild. If this amendment is carried, an immediate appeal will be lodged every time an order is made.

The Hon. Sir Arthur Rymill—That would not stop the order coming into effect.

The Hon. S. C. BEVAN—When appeals are made orders do not come into effect until they are heard. What happens in other matters when appeals are made?

The Hon. Sir Arthur Rymill—There is a stay of proceedings, but there is no power to grant that here.

The Hon. S. C. BEVAN—Everyone knows that an order cannot be effective until an appeal is decided. New section 24a (5) dealing with the appointment of the board seems to be quite democratic, and I have no objection to it. However, new section 24b (1), relating to appeals against prices orders, provides that “Any seller of goods or provider of services, or any association of any such persons may” appeal against any order. That is not democratic. It caters for only one section of the community and the same facilities should be extended to other sections.

The Hon. Sir Arthur Rymill—I am prepared to provide for that if you will support the new clause.

The Hon. S. C. BEVAN—I oppose it. The honourable member should make clear his intentions. It is no good referring to British justice if justice is not to be extended to all sections of the community. The provision relating to the time of appeal and the nature of appeal seems quite fair, as does the rest of this new section. New section 24c relating to the powers of the board confers absolute power on the board. The Prices Department may make exhaustive inquiries before recommending any price increase or decrease, but the board can decide that those inquiries were irrelevant and completely ignore the recommendations. The board will have over-riding power. It will not be responsible to a Minister or to Parliament. Absolute power will be placed in the hands of the three persons who constitute the board.

I think members are agreed that the Prices Act is not all that is desired, but at present they can at least challenge the actions of the Prices Commissioner through the Prices Minister. If this new clause is accepted Parliament will have no control. The board will sit in a conference room and call witnesses and documentary evidence and determine appeals on that basis. That is not satisfactory. Our Prices Department is manned by efficient officers who conduct full investigations before making recommendations on prices. They not only hold inquiries in their offices but travel around the industry seeking information from manufacturers and retailers before making their decisions. New Section 24c (5) completely destroys the Minister's powers. If this new clause is not in the interests of one section of the community only, I do not know what is. I do not know whether there has been any political lobbying in respect of this matter or whether a newly formed organization—which, incidentally has invited all members of Parliament to attend a meeting on Monday night—has brought pressure to bear on certain members, but I suggest that this is another attempt to defeat the whole purpose of the Act.

The Hon. Sir LYELL McEWIN—I appreciate the views expressed by members on this amendment, which for many reasons I hope will not be accepted. In the principal Act we established two principles. Under it everyone has been sworn to secrecy in connection

with price investigations. If the present condition is altered as proposed it will mean the employment of additional staff. One member said he wondered whether the proposed move was worth the money that would be spent on it. I have obtained the independent view of the Crown Solicitor on this matter, and it is as follows:—

The proposed procedure presents many difficulties:—

(a) In the making of some orders the commissioner has probably collected, tabulated and evaluated masses of evidence, dealing not only with the specific subject matter of the order but also with the prices of allied goods or services; and weeks of work may have gone into the investigation of the particular subject. If the whole of this material is to be placed before the board, supported by detailed arguments justifying the order, the board is likely to become a full-time organization, which will require a staff of reporters and clerks for taking down evidence, looking after documents and exhibits, preparing material for the members of the board, etc.; and the Prices Commissioner will require a separate and highly trained staff for preparing and presenting the material to the Prices Appeals Board.

(b) Section 24b (5) apparently recognizes that the board will require "officers." No provision is made as to who is to appoint or pay such officers, how many there are to be, or what are to be their terms of employment.

This legislation is revised every 12 months and because of that I wonder what talent would be available if the proposal were accepted. The men employed now on investigation work are highly skilled officers but if the amendment were accepted they would be more concerned about the review of the matter in Parliament than anything else. The Crown Solicitor further said:—

(c) I think it should be made clear, preferably by amendment of the Prices Act, that the obligations of secrecy imposed upon the Prices Commissioner and his officers by section 7 of the Prices Act are not to apply where information is required by the Prices Appeals Board.

(d) Assume that a prices order is made fixing the price of, e.g., bricks. The order is probably the result of detailed investigations into the manufacturing costs, sales and profits of a dozen or more brickmakers. If one brickmaker appeals, is he to be entitled to have placed before the board, and to inspect and take advantage of, the whole of the confidential information which the commissioner has acquired as to the financial affairs of the appellant's competitors in the trade?

(e) Section 24c (4) provides that the board may revoke or vary a price fixing order made by it, or how is the board to get the additional information to justify its revoking or varying an order? The board would apparently have to be, not merely an appeal board, but a permanent price-fixing tribunal with an investigating staff of its own.

This proposal is impracticable because it would establish a board under legislation that is reviewed every 12 months. Apart from other difficulties associated with the move, the objections I have already mentioned are sufficient to oppose the amendment.

The Hon. Sir FRANK PERRY—When price control legislation was first considered there were divisions of opinion as to the method by which it should operate and the way in which decisions by the Prices Commissioner should be made known. It was considered then that there would be dissatisfaction amongst traders and other organizations if the matter were kept secret. The Government carried the day and proclamations were agreed to. This type of legislation is all right in an emergency, and so long as we have price control we will have it in its present form.

I have not been approached on this Bill, which is most cumbersome and difficult to operate. I do not take much notice of the difficulties referred to by the Chief Secretary because they can be overcome. If a person went to the proposed appeal board it could decide the way in which the case should be heard. I think that the method adopted, so long as it was sensible, would satisfy Parliament and traders. Traders are most dissatisfied now. Some honourable members support the measure, but with much reluctance. I support the amendment.

The Hon. Sir ARTHUR RYMILL—I think that Mr. Bevan was on false premises when he referred to the fact that the amendment would result in holding up the coming into operation of determinations made by the Prices Commissioner. When I drafted the amendment I certainly considered whether or not that could happen and came to the conclusion that it might clog up the works, which was not my intention. Therefore, I provided for no stay of proceedings, because I realized that the amendment could be utilized to gum up the works. I think members can rest assured that if the amendment is passed it will not prevent the determinations of the Prices Commissioner from operating unless and until the Appeal Board determined otherwise. As to the repre-

sentation of consumers, I would have no objection on principle to that, and would welcome an amendment to that effect except that I do not think it would be invoked. I acted on the assumption that the Prices Commissioner is there to protect consumers, and that he whittled down the profits of providers of goods and the purveyors of services as much as he could without putting them right out of business. It seems to me that consumers need no representation.

I have provided for a first right of appeal within seven days of the making of an order, and then there is another right of appeal six months later. The reason I included that was that circumstances can alter during the six months period. For instance, wages could increase and the material costs rise whereby the prices order could get out of alignment by the mere non-intervention of the Prices Commissioner, and I therefore thought it proper that after a substantial time had elapsed there could be an appeal.

The Chief Secretary pointed out some of the difficulties under the amendment. I have no doubt they could exist, because it is impossible to have perfection in anything of this nature, but in doing so he was forced into the position of having to point out many of the defects and injustices under price control. The arguments he presented against my amendment were very good arguments against the retention of price control, so much so that, had I entered the Chamber not knowing what was going on, I would have thought he was making a second reading speech in favour of the view I am presenting. Even if the amendment is not agreed to, it will at least have had the effect of drawing members' attention to some of the underlying defects fundamental to price control.

New clause negatived.

Remaining clause (3) and title passed. Bill reported without amendment. Committee's report adopted.

#### ADJOURNMENT.

At 4.58 p.m. the Council adjourned until Tuesday, October 30, at 2.15 p.m.