

LEGISLATIVE COUNCIL.

Wednesday, November 25, 1959.

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

QUESTION.**PRICE OF MILLING WHEAT.**

The Hon. F. J. CONDON—On Tuesday next, December 1, the price of wheat to the miller will be increased by 2½d. a bushel. Has the Chief Secretary anything to report in reference to the interview the Premier had with the Prime Minister recently with regard to wheat prices?

The Hon. Sir LYELL McEWIN—I have had no report from the Premier, but I will make inquiries and endeavour to get the information for the honourable member.

COMPULSORY ACQUISITION OF LAND ACT AMENDMENT BILL.

Read a third time and passed.

HEALTH ACT AMENDMENT BILL.

Read a third time and passed.

VERMIN ACT AMENDMENT BILL.

Read a third time and passed.

REMARK IRRIGATION TRUST ACT AMENDMENT BILL.

Read a third time and passed.

POLICE PENSIONS ACT AMENDMENT BILL.

Read a third time and passed.

SUCCESSION DUTIES ACT AMENDMENT BILL.

Second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I move—

That this Bill be now read a second time.

The object of this Bill is first to provide rebates of succession duty payable in respect of land which has been used for primary production for five years prior to the death of a deceased person where the land is left to the widow (or widower) or a direct ancestor or descendant of the deceased, provided that the person taking the land intends to continue to use the land for primary production. The second object of the Bill is to provide a complete remission of duty in the case of property given by will or non-testamentary disposition to the University of Adelaide, School of Mines,

Waite Agricultural Research Institute, the Institute of Medical and Veterinary Science, to non-profit hospitals and certain benevolent institutions. I shall deal with these two separate sets of provisions in order.

The provisions concerning land used for primary production are enacted by clause 4 of the Bill which will insert four new sections. What the Government has in mind in introducing this legislation is in broad terms to give some measure of relief in cases where what I may describe as farming property has been in the possession of a family for a number of years and it is intended by those left behind to continue to use the property in the same way and for the same purpose as the deceased—in other words, to assist the family to carry on the pursuit of primary production without being faced with what may be, in some cases, high death duties. That, in brief, is the object of the Bill. To carry out the Government's object in such a way as to provide for every possible contingency is not easy, but the Government believes that the provisions of the Bill will go as far as is practicable to afford a reasonable measure of assistance in genuine cases, while not going too far in the opposite direction.

The first of the new proposed sections will define land used for primary production as land which has been used for the business of primary production for a period of five years immediately preceding the death of the deceased person. The definition will exclude land devised for a term of years, annuities charged on land or land which was held by a deceased person as a shareholder in a company, member of a partnership, joint tenant or tenant in common. The new proposed section 55f makes provision for the rebate which, by subsection (1), will be limited to those beneficiaries who consist of a widow or widower or a descendant or ancestor of the deceased person. Subsection (2) will provide the formula for ascertaining the amount of the rebate. Before discussing the formula I pass to the other provisions of the Bill.

In the first place the rebate will not apply to any interest passing by way of deed of gift, or gift or settlement or under any of the circumstances described in the special cases mentioned in section 32 of the Act. The rebate will be made only where the Commissioner is satisfied that the size and condition of the land and the circumstances are such that it is capable of being used for the business of primary production. This provision is made by proposed new section 55g. The beneficiary

on whose behalf an application for a rebate is made must satisfy the Commissioner that it is his or her intention to continue to use the land for primary production and the Commissioner is empowered to obtain a declaration and any other information that he considers necessary for the purpose of satisfying himself on this point. These provisions are contained in the proposed new section 55h.

The formula for ascertaining the rebate is set out in subsection (2) of the proposed new section 55f. It is measured by reference to the total amount of property, including any land used for primary production, taken by the beneficiary. Where such total property does not exceed £20,000 there will be a rebate of 30 per cent. Where the total property taken is over £100,000 the rebate is a proportion equal to the ratio of £16,000 to such total amount. If the total of the property received by the beneficiary were £112,000, to take a simple example, the rate would be one-seventh of the amount of duty attributable to the portion of the property taken as which consists of land used for primary production, and as the total value of the property taken by the beneficiary increases the amount of rebate decreases.

I have not dealt with subparagraphs (b) and (c) of subsection (2) which cover cases between £20,000 and £100,000. In these cases the formula is applied. Between £20,000 and £40,000 the rebate is a proportion of the duty on the land used for primary production equal to £6,000 plus one-fifth of the excess over £20,000 over the total succession. Between £40,000 and £100,000 the rebate is a proportion of the duty equal to £10,000 plus one-tenth of the excess over £40,000 over the total succession. Perhaps two simple illustrations will explain how the formula works. Let us suppose that a widow receives under will in all £30,000 worth of property. The rebate of duty on land used for primary production will be £6,000 plus one-fifth of £10,000—i.e., £8,000 over £30,000 or four-fifteenths, a rebate of approximately 27 per cent. Let us suppose again that a widow receives property in all valued at £70,000. In this case the formula is £10,000, plus one-tenth of £30,000 over £70,000 or thirteen-seventieths, a rebate of approximately 18 per cent.

It will be seen, as I said earlier, that the amount of rebate diminishes as the total amount of property taken by the beneficiary increases. The maximum amount of rebate is 30 per cent while on £116,000 the amount of rebate is something like 14 per cent. Of course,

as I have already said, the rebate will not apply to the whole of the property taken by the beneficiary, but only to that part of it which consists of land used for primary production. I believe that a measure of relief along the lines which I have mentioned will commend itself to all members. It is unnecessary for me to do more than mention the importance of our primary production. I would believe that this measure would do much to encourage primary producers to keep their farms in the family as going concerns, to the ultimate benefit not only of the family, but also to the State as a whole.

The remission of duty set out in clause 5 of the Bill, which amends the second schedule, is based on requests that the Government has had from time to time from various charitable organizations, and the Government feels that everything should be done to encourage the continuation and development of these organizations which themselves secure contributions from private subscriptions and derive, in many cases, considerable assistance from voluntary workers. So far as the University, School of Mines, Waite Research Institute and Medical and Veterinary Institute are concerned these are all public educational bodies heavily supported already by State grants and the Government believes that the exemption should be extended to them. Provision has also been made to extend the exemption to the colleges affiliated with the University. This Bill is worthy of consideration in the interests of the community and I commend it to honourable members.

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

DISTINGUISHED VISITOR.

The PRESIDENT—I notice in the gallery His Excellency the High Commissioner for South Africa in Australia, Mr. A. M. Hamilton. The Council would be honoured if he would occupy a seat on the floor of the Council.

Mr. Hamilton was escorted by the Hon. Sir Lyell McEwin and the Hon. F. J. Condon to a seat on the floor of the Council.

MENTAL HEALTH ACT AMENDMENT BILL.

Returned from the House of Assembly without amendment.

LIMITATION OF ACTIONS ACT AMENDMENT BILL.

Returned from the House of Assembly without amendment.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 1).

Returned from the House of Assembly without amendment.

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1762.)

The Hon. G. O'H. GILES (Southern)—I support the second reading. As a new member of the Council I find it the most important and most difficult matter on which to make a decision. Fortunately, realizing that my knowledge was extremely limited, I started working on the problem many weeks ago, and am satisfied with my decision, which I shall give without hesitation. I wish to make several qualifying remarks before I go further. Firstly, I am supporting retention of the Act for another 12 months and am not necessarily debating the pros and cons of price control. Secondly, I am in favour of gradual and carefully considered de-control. As a primary producer I particularly congratulate the Government on the final de-control of meat. Thirdly, as a representative of, primarily, a country district, my opinions are naturally coloured by this fact. Fourthly, I do not consider this decision binding in perpetuity, but intend to look at the matter in future—according to conditions at that time. I draw the attention of members to some of the remarks of the Hon. Sir Arthur Rymill in his speech on the second reading debate taking into due account the general economy of the State and many other factors that must influence a decision in this important matter.

I congratulate the Hon. Sir Arthur Rymill and the Hon. Mr. Densley on their full explanation, for the benefit of several newcomers to this Chamber, of this highly contentious matter. I found particularly valuable the historical recital of the facts (or, as Mr. Densley might say, the excuses) which have led to the introduction and re-introduction over the years of this Bill in this Chamber. There are many points on which, in principle, I am not in favour of price control. For a start, I want to dissociate myself from those who believe in controls in general. I make it plain that my stand on this matter is for gradual and sensible decontrol where possible. I intend to reserve the right to vote in either direction over the years on this matter.

The argument I am trying to put forward this afternoon is based on two main points: firstly, the poor timing of such action as decontrol would be at present; and, secondly,

the necessity for some form of limiting legislation in the matter of prices. Nobody would suggest in this House that the economy of South Australia is such at present that any of our industries, primary or secondary, is in any danger whatsoever. In fact, the opposite is the case. The economy of this State is good and sound. In so far as this state of affairs is concerned, it is obviously a matter of Treasury responsibility and Government action. I maintain that, as price control is an integral part of that policy, there is some justification through that for the sound economical state of affairs that exists in South Australia today. I should have to leave out environmental factors such as droughts and falling wool prices, but those factors must make an important impact on this proposition.

During the past week, I have heard many speeches on this subject but, frankly, they do not convince me that the time has arrived when prices should be completely decontrolled. I imagine that we have today a sound economy, but we would be on the point of taking a very substantial gamble indeed if we took action for complete decontrol. I should have favoured such a gamble, perhaps, many years ago when the price of wool in Australia was very high, and that opportunity was missed for the lifting of price control. Although I appreciate the concern of members of this House who feel that the time has come when this control should be lifted, I want to emphasize again that I do not feel that this is the time to take such a step.

The whole argument hinges, I think, on two points. The first is just how regulated are we already in the society in which we live, and the second is whether true competition pertains in South Australia at present. As regards the regulations under which our free society lives at present, I would deal with several things. The Attorney-General has mentioned, for instance, that within the society in which we live we are limited by the laws of the land and the action of the police force. I think the Attorney-General made that point yesterday afternoon on an interjection. There are all sorts of minor things, too, such as the enforcement of tuberculosis X-rays, and the Tariff Board on a Federal basis, which limits and restricts imports into this country and is part of the regulated society in which we live. Then I stress particularly the duty on vehicles coming into Australia. The Leader of the Opposition in this House some time ago made a point that he rather felt that primary producers were favoured by protection in certain ways, but this protection, if it exists, is not as

great as the protection given on cars and motor vehicles made in this country by virtue of the duty on overseas vehicles. I throw that in to illustrate my point that the society and conditions in which we live are regulated to some degree. One could go on endlessly on this particular point and mention organized marketing, credit restrictions and a host of other things, under the structure of which we as South Australians live today, in a state of freedom that is possibly not paralleled in many parts of the world.

The Hon. Sir Frank Perry—It applies only to some sections of the community.

The Hon. G. O'H. GILES—With the greatest respect, I rather doubt what Sir Frank Perry has said. I think price control does affect everybody ultimately and, in so far as South Australians are all consumers in their own right, it affects most people in this State.

The Hon. F. J. Condon—Some more fiercely than others.

The Hon. G. O'H. GILES—I will not waste time dealing with competition because I believe that any lack of competition in this State today is to some degree anyway, or has been, encouraged over the years by undue price control, starting from the war years and getting business interests used to the idea of banding together. I subscribe to the policy of decontrol to that extent, but let us take some individual cases. Sir Arthur Rymill raised the question of television sets—I admit on a separate argument. I do not think anyone today will say the sale of television sets represents competition between one firm and another, for that is not so. It is not the case because all the big retailers handle all the well-known makes and because one firm makes all spare parts and a lot of the original article for a good many types of television sets. The same applies to household refrigerators. We buy different trade name refrigerators in South Australia, but in many cases they are made and marketed by the same company. In America this is not the case. Each trade name represents the product of an individual company—in other words, over there true competition does exist in comparison with South Australia.

The Hon. Sir Frank Perry—You say there is no competition in the sale of refrigerators?

The Hon. G. O'H. GILES—No, I do not say that. What I meant to convey was that certain trade names in refrigerators are marketed under one source, under one group, in this country, which is not the case in America, where on the whole, these articles are marketed separately and by different companies. To refer to one type of thing that affects primary producers to a degree, let me mention super-

phosphate companies, which today in South Australia do not really trade under free competition. Most honourable members will know that they trade through an organization and I do not think in that case we could regard the sale of superphosphate or any fertilizers as true competition in this sphere.

The Hon. Sir Arthur Rymill—Do you think they are the only companies trading in South Australia?

The Hon. G. O'H. GILES—I know the answer to that question is "no," but it has an impact, and inroads have been made into superphosphate sales in this country. That represents competition. I do not think that many superphosphate companies wish to put up the price of superphosphate in some areas because of competition in other areas. Primary producers, in times like this, are far better off under existing price control conditions.

The Hon. Sir Arthur Rymill—They sell their goods on a free market and buy on a restricted market.

The Hon. G. O'H. GILES—The honourable member has a point there. But I say primary producers generally are lucky if they make a two and a half per cent net profit but the profits earned by superphosphate companies would be considerably in excess of that, although I speak with no authority on that subject. In very many primary production lines today income has fallen by up to 50 per cent in the last seven years, but nobody complains particularly about that because on the whole primary producers accept the good with the bad. The point I make is simply whether true competition exists or not in that particular field.

The Hon. Sir Arthur Rymill—Do you think primary products should be price controlled?

The Hon. G. O'H. GILES—In some cases the answer is that they are partly controlled. In America and Great Britain there is effective competition because exploitation is, to a degree, controlled. Honourable members are well aware that in England a court of restrictive practices regulates prices or makes it compulsory to notify various conditions in the economic life of the country. I do not know how effectively that court of restrictive practices works, but its constitution obviously represents an attempt to do away with the small percentage who are prepared to step out of line. In America there is a Senate committee on monopolies. I do not know whether that is the correct title of the body, but I draw honourable members' attention to a paragraph that appeared in this morning's *Advertiser*. The paragraph stated that certain

action was being taken to deal with this particular situation and it read as follows:—

Washington.—The U.S. Attorney-General (Mr. Rogers) has brought anti-trust action against a large steel industry group charging that it conspired to eliminate competition in the steel industry. Six steel companies, including the giant U.S. Steel Corporation, of Pittsburgh, and the Bethlehem Steel Company, of Bethlehem, Pennsylvania, are named as defendants.

That shows an attempt to cure an anomaly and it represents a source of control. Honourable members are aware that in years past the people of Australia turned down constitutional powers that could have brought about nation-wide control of prices in Australia. I consider that price control in South Australia can work as a deterrent in this particular field.

The Hon. F. J. Potter—How do the other States get on without it?

The Hon. G. O'H. GILES—I shall deal with the other States later because there are some interesting figures available. If we look at this matter from the State viewpoint the answer becomes more apparent. I have personally contacted many small shopkeepers and persons in my electorate and I am satisfied that the argument I am putting has the fairly solid backing of my electors, although my electorate would have a very minor impact on price control. A 40 per cent profit margin is allowed, under price control, on men's clothing in country areas. The shopkeepers concerned are, with certain reservations, completely happy with that set-up. In one particular case—the person concerned is in the South-East and happened to be a man with whom I shared a tent during the war—I was told that the shopkeeper was in favour of this control, but he pointed out that a few miles over the border in Victoria similar articles were sold at an 80 per cent profit. That sort of thing does interest the people in South Australia and it can interest them as primary producers in their cost structure and in their personal expense accounts.

I refer now to housing in South Australia. Honourable members, or at least those whose wives take magazines such as *Women's Weekly*, will know that two prices are given for the houses illustrated. There is the South Australian price and the other price, and the difference between the two prices represents some hundreds of pounds on certain items. What can be more important to a State going ahead and expanding as rapidly as South Australia than that prices should be stabilized,

and that we can get a better household article at a cheaper price? That sort of thing has an impact on the lives of most people in this State.

The Hon. C. D. Rowe—It is very important from a woman's point of view.

The Hon. G. O'H. GILES—I now refer briefly to another matter that to a very marked degree concerns primary producers, and that is the price of fuel, which does come under the jurisdiction of the Prices Commissioner. This argument does not apply to premium fuels, but it does apply to most types of fuel, including standard grade petrol, and the impact of this item is probably greater than any other items. The price of standard petrol per gallon in the various capital cities is:—Hobart, 3s. 6½d.; Sydney, 3s. 6½d.; Melbourne, 3s. 6½d.; Brisbane, 3s. 6d.; Perth, 3s. 5½d.; Adelaide, 3s. 5d. I believe honourable members will draw their own conclusions from those figures and I stress that the people who use the most fuel are the people on whose behalf I am trying to state a case. The price of diesel oil in every State, except South Australia and Queensland, is £23 a ton. In Queensland the price is £22 4s., and in South Australia it is £22. That represents a considerable saving to people on the land in this State and I would stress that fact in this year when our primary producers are operating under three great difficulties: first of all we have a poor season which will result in decreased yields; secondly, it is a poor season from the point of view of export prices; and, thirdly, there is the problem of trying to absorb the 15s. rise in the basic wage, the full impact of which we have not felt at this stage. I think those points need to be assessed when thinking on this subject.

The Hon. L. H. Densley—What the oil companies lose on the swings they pick up on the roundabouts.

The Hon. G. O'H. GILES—I am not concerned where they pick it up. Those figures on petrol prices represent a substantial saving in country areas. Speaking as a primary producer, I could not care less where the oil companies pick it up but the point is that those fuels are selling more cheaply in South Australia.

The Hon. F. J. Condon—How many primary producers are affected by the 15s. increase in wages?

The Hon. G. O'H. GILES—I think the honourable member is trying to sidetrack me. It is a state of affairs that would be very hard to ascertain as the honourable member well

knows. The only way that I could possibly reply would be to quote individual instances, which the honourable member probably would not believe in any case. I will now deal with some aspects of the C series retail index figures, and they are very interesting. In some ways I may be playing into the hands of members of the Opposition, but I make it clear that I do not favour undue price control or petty bureaucratic interference with our democratic way of life. In the case of Victoria the effect of decontrol can be plotted by examining the retail index figures. Over the last two years there has been a very real rise in the retail index as compared with the wholesale figures. I have made several inquiries in order to ascertain whether decontrol has had any effect on the economy of the other States, and it seems that it is so.

Sir Arthur Rymill gave very impressive figures to prove that, although the difference in the basic wage between Victoria and South Australia remained at 4s., as the overall basic wage went up the difference represented a far smaller percentage from year to year, but I point out that if the C series retail price index had any bearing on the basic wage in Victoria the difference today would be 5s. and not 4s. That is something that should interest members. If the C series index figures were passed on, the basic wage in the various States would be very different, and in particular they would be very different in Perth and Hobart. The reason is not hard to find. A State such as Victoria has a very great manufacturing potential, but States with little or no manufacturing potential suffer a side impact. This is the case in Perth and Hobart, for if the C series index figures were applied there the basic wages would be £14 11s. and £14 10s. respectively—the highest in the Commonwealth. We know that is not the case, but I point it out to illustrate a side effect that decontrol could have in other States and which is responsible for the fact that our basic wage has risen in the last year or two. I think that is a relevant point, even if it is not a complete argument in itself.

Finally, may I sum up by saying that I find myself in the position of being unable to take a gamble on price control when the present economic conditions of the State appear to be sound. I cannot see any point at this stage to cause me to vote in favour of a set of conditions about which we cannot be certain by any stretch of imagination. I appreciate the kindly attitude of Sir Arthur Rymill when I asked him by interjection what would happen

if prices were decontrolled. That is very much the crux of the problem, and I feel at this time it is not a question to be taken lightly. We have prosperity at present, but we are going through times of great stress on the South Australian economy, and I would make that point quite plain. At the same time I urge the Government to effect gradual and sensible decontrols where it is found possible.

The Hon. Sir Frank Perry—Why should they do that if what you say is true?

The Hon. G. O'H. GILES—I thought I had made it plain earlier that I do not approve of many aspects of price control but I am basing my argument on two grounds—firstly, the timing of it and, secondly, the fact that there would be no over-riding force to control any anomaly. I appreciate that price control in many ways is second best, but I have expressed my ideas on which I have hinged my argument and I ask members to take them into account. I unhesitatingly give my support to the Government for another 12 months on this matter, and that, after all, is what we are debating. I support the second reading.

The Hon. W. W. ROBINSON (Northern)—Having given careful consideration to whether we should extend price control for another year I have decided to support the Bill for another 12 months, or for such time as, in my opinion, it is necessary to have some form of control. I have listened with a great deal of pleasure to the debate, but I find that on quite a number of occasions what I would term more or less superficial arguments have been advanced against price control, and I have concluded that we can benefit very materially by extending it for another year. Mr. Potter said that we as a Party believe in free enterprise. I think we do in a measure, but we also believe in giving fair consideration to every section of the community, and I believe that, looking back over the period that the present Government has occupied the Treasury benches—which practically coincides with the period of price control—South Australia has made remarkable progress. We enjoy a great degree of prosperity. As a measuring stick consider our Savings Bank balances, the number of motor cars a head of population by comparison with other States, and so forth. I shall not enumerate all the figures, as they have been quoted frequently over the years.

Sir Frank Perry said that price control had brought about self-service supermarkets. I point out that they are in much greater evi-

dence in North America and South America where private enterprise has more encouragement and freedom than in any of the Australian States. Our supermarkets are as babies compared to a grown man in relation to their supermarkets, which have under one roof practically every commodity one could wish to purchase. Sir Arthur Rymill gave some advice to old members, and endeavoured to do likewise to new members. To old members he suggested that:—

In view of the changed circumstances those accusations of inconsistency could not possibly be levelled against them. I should like to say that I realize that old members who supported this legislation when it could be regarded as justifiable have found, and no doubt are finding, difficulty in changing their vote. When they do, or if they do, I suppose they feel they can be accused of inconsistency. I ask members to take that for what it is worth. Sir Arthur continued:—

It is possible they have developed a fear complex from the Government's utterances over this matter over the years about the dire things that will happen when price control is removed.

Then he went on to give advice to new members and recommended that:—

They should put it out of its misery: that would be a most desirable step.

I would suggest to old members and new members alike that they inform themselves on any question under debate and bring down their verdict on the side their judgment dictates. In order to get some information I asked the Premier to justify the continuance of price control to my satisfaction and he has supplied me with some particulars. He has informed me that it is considered that it has already been amply demonstrated over the years that the Prices Act operates for the good of the community as a whole. Price control has been of considerable benefit to primary producers who are particularly vulnerable to increased costs. In the main, primary producers must sell their products on world markets, at world prices, and are often unable to obtain higher prices to compensate for increased costs of production. It is well known that export prices of a number of primary products are well below home consumption prices. Furthermore, as costs rise export markets are continually being lost owing to the inability of the Australian producer to compete on a price basis. It is important, therefore, that every effort should be made to restrict price rises and consequent increases in primary producers' costs. This year, with the State in the grip of the drought, it is essential that the prices

legislation should be maintained. Producers are faced with a difficult time and it is likely that shortages of some commodities will occur.

I take that at its face value, but let us look into the matter. The Premier then gave me a few instances of how the primary producer benefits under price control in regard to building. Building rates and most building materials are subject to control under the Prices Act and it is well known and established that building costs here are much lower than in other States. This means a saving to farmers and graziers not only on home building, renovations, repairs, etc., but also in the building of shearing sheds, milk sheds, storage facilities, etc.

The Hon. K. E. J. Bardolph—What building materials are under control?

The Hon. W. W. ROBINSON—All building materials are under some form of control. In the *Advertiser* recently it was stated that the Wartime Building Materials Act was repealed in 1952, but replaced in the same year by the Building Operations Act imposing a lesser form of control. Mr. Giles has pointed out that building costs in this State compare more than favourably with those in other States. There is a difference in some classes of buildings of between £400 and £500.

The Hon. K. E. J. Bardolph—Labour costs are lower in the building industry here.

The Hon. W. W. ROBINSON—Just a fraction.

The Hon. K. E. J. Bardolph—Quite a lot lower.

The Hon. W. W. ROBINSON—As to petroleum products, it is understood that in recent years the Prices Department has been responsible for a considerable saving to the community by way of price reductions on these products. It is known that the saving to primary producers alone from these reductions over the past 2½ years has been well in excess of £750,000. That in itself justifies the retention of price control for that one item. Diesel oil, which is used by industry and primary producers, is another important item which has not been overlooked by the Prices Department. In April last the Federal Minister for Customs announced that a duty of 1s. a gallon would be imposed on all industrial diesel oil as from April 30. It is understood that this action was taken because certain transport operators had been evading the 1s. a gallon duty on distillate by using diesel oil as a substitute, and this had previously been duty free. The duty was not intended to apply to industrial users and primary pro-

ducers who would, on presentation of a certificate entitling them to exemption from the 1s. a gallon duty, in due course receive a rebate. In announcing the increase, Canberra had apparently overlooked the position of stocks of diesel oil already in the hands of the oil companies. It is understood that duty on South Australian stocks alone represented well over £100,000. Although the increase was applied almost immediately in all other States, and repeated requests were made for a similar increase in this State, the Prices Department refused to permit the price rise, pending clarification of the stock position. I understand that when the stock position was pointed out to Canberra by the Prices Department the Customs Department realized that a mistake had been made and appealed to the Prices Department to continue its stand, and this was the only means whereby Canberra could be assisted. If the Prices Department had not taken this stand, it is obvious that the Customs Department would not have received any revenue on the duty-free oil and would not therefore have been in a position to pay rebates to industrial users and primary producers, who would have incurred the increase of 1s. a gallon, or £13 4s. a ton.

I believe that as a result of the Prices Department's action in this State, the oil industry applied to the Customs Department to rebond all stocks of diesel oil on hand throughout the Commonwealth, which the Customs Department readily agreed to do. Had the department immediately granted the increase in South Australia, there would have been serious repercussions. Industrial users and primary producers entitled to rebates would have paid the higher price, and could not have received any rebate as the Customs Department would not have had the revenue to pay it. As a result of the role played by the Prices Department all legitimate users were able to obtain the refunds which they otherwise would not have received, with a resultant saving of well over £100,000, in which primary producers shared.

Mr. Giles mentioned the control of superphosphate in this State, and this is a very important cost element in primary production. This season the Prices Department effected substantial price reductions on sulphuric acid. But for these reductions, superphosphate prices would have risen by several shillings a ton. I understand that savings to primary producers on superphosphate prices effected by the department over the last three years amounted to more than £750,000. In order

to see whether fair treatment was being given to the superphosphate companies, I looked at the Stock Exchange reports yesterday and noticed that the £1 shares of Cresco Fertilisers Ltd. were quoted at 36s. (seller), Wallaroo-Mount Lyell Fertilisers Ltd. 31s. 3d., and the Adelaide Chemical and Fertiliser Co. Ltd., 34s. 11d. It will be seen that although these companies are under price control, the shares are held in high regard by the shareholders.

Apart from the facts I have already stated, which cannot be ignored, I can recall other occasions when the Prices Act has been used to the advantage of primary producers in dealing with an emergency or coping with some other situation which has given cause for concern. When a shortage of fencing posts and brewers' grains (which are used as a substitute dairy fodder) occurred following upon bush fires, the Prices Department quickly stepped in and took some extremely useful action. If it can be shown that there are no cartels or business arrangements in this State controlling prices, and if all industrial and manufacturing industries are prepared to allow free trade to regulate competition, we can do without price control; but until I am sure that the consumer will be given fair consideration I intend to support the retention of this legislation for another year.

The Hon. A. C. HOOKINGS (Southern)—I have listened to many speeches on the Bill in this Chamber and have read the speeches of previous years, and after deliberating I find that I am in the position where I cannot support the retention of price control. I notice that some members tried to find examples to justify their support of price control. They mentioned comparative building costs in the various States. I have lived close to the Victorian border for many years, and although that State has been without price control for a considerable time, I cannot see that any higher prices prevail there than in this State. It was stated that the cost of building homes was much cheaper in South Australia than in Victoria, but I remind members that builders are coming from Stawell in Victoria to build in South Australia. If the cost of building were cheaper in South Australia, why should they do this? We have competition in South Australia from Victorian superphosphate companies, which is of advantage to farmers and graziers in the South-East. If price control did not operate this year, it would be interesting to see whether the price of superphosphate rose to any extent. So, even if we admitted

that the price of some things under control warranted a retention of price control, do the few lines under control justify the continuance of a principle that is totally against the beliefs of many members?

Price control on meat has now been removed for little more than 12 months. It will be remembered that for some years primary producers throughout the State, by individual approach and through their producer organizations, did everything in their power to get meat decontrolled. It was decontrolled about September, 1958, but what happened? There was no great difference in the retail price of meat, but we have a peculiar picture in 1959, particularly in the spring of this adverse season. There are always one or two butchers who will try to get some advantage, but competition will curb them. Some members will say that beef is very dear, but that position applies throughout the world, because it is in short supply, and particularly in South Australia, where we are suffering from a drought and very few cattle are coming on the market. On the other side of the picture we find that lamb is available in abundance and no-one can say that the lamb available in Adelaide butcher shops is being sold at a high price. It is available at lower prices than I have known for many years. If we examine the position closely in Victoria, we find that many people from the South-East go to Geelong to buy commodities for their homes, there being no price control there, thereby proving that prices are not lower in South Australia. In view of the points I have put before the Council I find myself unable to support a continuance of price control.

The Hon. N. L. JUDE secured the adjournment of the debate.

LOCAL GOVERNMENT ACT AMEND- MENT BILL (No. 2).

In Committee.

(Continued from November 24. Page 1766.)

Clause 3—"Amendment of principal Act."

The Hon. C. R. STORY—A few weeks ago I had the honour to attend a large meeting where it was decided that the whole district of Renmark should come under one local governing body. For some time this has been the desire of both the Government and the people of the district. As the Minister has now clarified the points I referred to him, I do not desire to say anything further on this clause.

Clause passed.

Clause 4 passed.

Clause 5—"Postponement of payment of rates."

The Hon. F. J. CONDON—The Bill has been under discussion for some time and it is about time a vote was taken on it because it is important. If the Minister wants assistance from the Opposition, I point out that we do not believe in one-way traffic. Even at this stage I do not want to delay the passing of the Bill, but later perhaps the Minister will allow amendments to be considered for inclusion. It is not fair to ask us to come here and just listen to an amendment being moved without having it on the file. When the first Local Government Bill was introduced into the Council this year the Minister promised he would as far as possible meet the position covered by clause 5. He honoured that promise. I support this clause because, although it will not go as far as I desire it to, I think it is an improvement on the present doubtful legislation.

For some years councils have desired to make rebates or remit rates to certain people but were informed that they had no power under the Act so to do. Then the Crown Law Department expressed the opinion that there was some doubt. A case was cited in the Supreme Court here and even the judges could not decide the matter; they said it should be submitted to another court. In order to overcome this difficulty, the Bill proposes to give municipal councils the right to remit rates not only to one section but to all sections of the community. It is not likely that a council would remit rates to persons able to pay. A number of cases have been brought to my notice where the rates have been increased beyond all proportion, with the result that old age pensioners have not been able to pay them. This clause proposes that a council shall have power to remit for a period of a few years, but it shall also have the right to claim, on the death of the pensioner, the unpaid rates from the estate. I am not clear whether the council will have power to remit the whole lot or, when the estate has been wound up, whether the full amount will be paid. I should like to know whether any part of this Bill meets the position that has been referred to from time to time in this Chamber.

For instance during the war one person was rated at 8d. in the pound while another person next door was rated at 1s. 8d. in the pound. There are premises on the Port Road, which is a very busy road, south of the car-barn,

where business people pay 6d. in the pound while, in the same ward, a person in a back street pays 1s. 3d. or 1s. 5d. in the pound. I have always understood that with unimproved land values within the same ward it is not possible to charge different rates. I realize that it is possible to do so in different wards, even those adjacent to each other. The Port Road divides the ward I referred to. The poor people on one side of the road are charged a high rate while people in business, and better off, on the other side are charged a lower rate. Is there anything in this Bill to rectify that position? I am pleased that some improvement has been effected. It will give a council the power, if it so desires, to remit rates, but I understand it is protected by having the power to call on the estate later to pay the unpaid rates.

The Hon. N. L. JUDE (Minister of Local Government)—I can assure the honourable member that there is nothing in this Bill that deals with the point he has raised. When he first rose, he pointed out that he had certain important amendments that he intended to move. I gave him an assurance earlier this afternoon that he would have every opportunity to get them into typescript and move them. When we come to the part of the Bill he referred to, I propose to give him an opportunity of reporting progress, if necessary.

Clause passed.

Clauses 6 to 12 passed.

Clause 13—"By-laws."

The Hon. N. L. JUDE—I move—

At the end of new paragraph (29a), commencing with a new line to add—

"and by adding after subparagraph iv of paragraph (37a) thereof the following new paragraph:—

(37b) for the licensing, regulation, supervision and control of child minding centres kept for gain or reward within the municipality or any township within the district or of persons in charge of such centres, or of both."

The object of this amendment is to provide for the licensing, regulation, supervision and control of child minding centres kept for gain or reward within municipalities and townships within districts as defined in the Local Government Act, or of persons in charge of such centres, or of both. The Government has considered representations from various bodies interested in children's welfare and recognizes the need and desirability for ensuring that such centres are conducted on suitable lines and in suitable premises. The most efficient and appropriate method of securing the adequate supervision and control of such

centres is to confer the necessary power on local authorities to supervise the centres within their own districts. The amendment accordingly adds to section 667 of the principal Act a new paragraph (37b) which confers on any council power to make by-laws for the licensing, regulation, supervision and control of such centres or of persons in charge of such centres, or both.

The Hon. Sir ARTHUR RYMILL—I have no objection to this amendment as such; in fact, I think it is logical that such power as I read into this should be given to councils or local boards of health because they do already license places such as hospitals. However, I do not like the verbiage of this amendment and I think the Minister is using obsolete language when he refers to "child minding." It is to me a rather bad term. I looked it up and found that there were a number of more particular meanings to the word "mind" which is a transitive verb. One has to get down to its sixth meaning in the *Shorter Oxford Dictionary* before reaching the meaning "to care for." Its primary meaning is "to put in mind of something; to remind," Its sixth meaning is "to care for," but that is marked as obsolete. The word "minding," which is the actual word used in the amendment, does not mean that at all in this dictionary. It means (1) "the action of mind" or (2) "a reminder," and then the dictionary says, "minding school, a dame-school for keeping children out of mischief."

I admit that these comments are more jocular than serious, but why do we need to have these queer expressions in our Acts? Do we have to use obsolete language? There is an expression "creche," and I do not know why the Minister should get away from that because it seems a very apposite word here. The word "creche" in the same *Shorter Oxford Dictionary* is defined as "a public nursery for infants where they are taken care of while their mothers are at work." That is its only meaning, so it cannot be misconstrued. Murray puts it as "a public nursery for infants; an institution where infant children of poor women are taken care of while their mothers are at work or in hospital." I feel minded, if I may use that expression in its right sense, to move an amendment. I move—

To strike out "child minding centres" and to insert "creches."

The Hon. C. R. STORY—I question the use of the word "public." The Hon. Sir Arthur Rymill has gone to the trouble of quoting from volumes, but I do not know

whether this provision embraces the public keeping of children. I think it refers to a few children being taken to a person's home and a registration is required. I do not know whether that is public.

The Hon. Sir ARTHUR RYMILL—Where is the word "public" mentioned?

The Hon. C. R. STORY—The honourable member mentioned public creches and the word "public" was mentioned quite a few times in his quotations.

The CHAIRMAN—"Public" is already in the Bill and the amendment is only inserting something after it.

The Hon. Sir ARTHUR RYMILL—I shall read again the *Shorter Oxford Dictionary* meaning of "creche." It is "a public nursery for infants where they are taken care of while their mothers are at work." Murray gives the meaning as "a public nursery for infants; an institution where infant children of poor women are taken care of while their mothers are at work or in hospital." There is no mention of "public" in the second definition of Murray. I think "creche" is part of our language because it is used extensively and I have seen it in Acts of Parliament before. It is a correct word for these places because I do not think we mean public nurseries only, although I imagine most of these are public nurseries because they are open to the public and are not restricted to certain classes or sects.

The Hon. N. L. JUDE—Although I have listened with some interest to the comments of my honourable friend I have no objection to the term "child minding," but I am rather surprised that he prefers a word which is obviously of French-Indian derivation. The Parliamentary Draftsman has used "child minding." I do not see that we can take any exception to it, and I ask the Committee to accept it.

The Hon. Sir LYELL McEWIN—While we are on this important discussion of "what's in a name" I mention that, although the House has not been informed of it, this has been a topic that has come under my notice quite a bit in the last year or two from two different sources, one of which is the Kindergarten Union of South Australia, and in every instance I have found the expression "child minding" used. That is the Kindergarten Union's interpretation, and they are the people who should know as much about it as anyone. Even if it is obsolete as far as the dictionary is concerned the Kindergarten Union seems to know what it means. I do not know up to what age

children may be retained in a creche. I do not know whether a creche will take babies up to six years or up to 13 years of age. Could Sir Arthur Rymill enlighten me on that point?

The Hon. Sir ARTHUR RYMILL—I should certainly like to furnish the Chief Secretary with that information if he would first of all tell me the age limit at a "child minding centre." When does a child cease to be a child for the purpose of being allowed to attend a "child minding centre"?

The CHAIRMAN—I am afraid the honourable member is getting away from the passage before the Committee.

The Hon. Sir ARTHUR RYMILL—On a point of order, Sir, to which passage do you refer?

The CHAIRMAN—I refer to the passage in print on the files.

The Hon. Sir ARTHUR RYMILL—With my amendment?

The CHAIRMAN—I have not had an amendment from the honourable member.

The Hon. Sir ARTHUR RYMILL—With respect, Mr. Chairman, I moved an amendment.

The CHAIRMAN—The honourable member will have to give it in writing because I do not know what it is.

The Hon. Sir ARTHUR RYMILL—I have made my protest against what I understand is a misuse of words and in view of the Minister's objection to my amendment I shall not take the matter any further.

Amendment carried; clause as amended passed.

Clauses 14 to 17 passed.

Clause 18—"Powers respecting part of West Parklands."

The Hon. F. J. CONDON—The proposed amendment, which is a very important one from our point of view, is not in circulation. I do not know whether the Minister wants to go right through the Bill and recommit it later or whether he wants to report progress, but this clause deals with the very important question of park land development, and my Party wants to stop further alienation of Crown lands and further leasing of park lands which may deprive the public of free access at all times. It is necessary for me to move an amendment to delete certain words in clause 18, but it will be more easily understood when it is in print. Members will then be able to understand what I am talking about. I therefore leave it to the Minister either to ask to recommit the Bill or to report progress.

The Hon. N. L. JUDE—In view of the honourable member's remarks I suggest that the Committee report progress.

Progress reported; Committee to sit again.

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

(Second reading debate adjourned on November 24. Page 1768.)

The Council divided on the second reading:

Ayes (11).—The Hons. K. E. J. Bardolph, S. C. Bevan, F. J. Condon, E. H. Edmonds, G. O'H. Giles, N. L. Jude, Sir Lyell McEwin (teller), W. W. Robinson, C. D. Rowe, A. J. Shard, and C. R. Story.

Noes (6).—The Hons. Jessie Cooper, L. H. Densley, A. C. Hookings, Sir Frank Perry (teller), F. J. Potter, and Sir Arthur Rymill.

Majority of 5 for the Ayes.

Second reading thus carried.

In committee.

Clauses 1 and 2 passed.

New clause 2a—"Exemptions from Act."

The Hon. F. J. POTTER—I move to insert the following new clause:—

2a. Section 6 (2) of the principal Act is amended—

(a) by striking out the words "of the whole" after the figures "1953" in line three of paragraph (b) and by adding after paragraph (d) the following new paragraph:—

(d1) with respect to any lease in writing of any dwellinghouse the term of which is for six months or more and which is entered into after the passing of the Landlord and Tenant (Control of Rents) Act Amendment Act, 1959;"

and

(b) by adding after subsection (4) the following new subsection:—

(5) Where at any time prior or subsequent to the passing of the Landlord and Tenant (Control of Rents) Act Amendment Act, 1959, the provisions of this Act by virtue of subsection (2) of this section did not or will not apply with respect to any premises or any lease thereof then the provisions of this Act shall not at any time after the passing of the said Landlord and Tenant (Control of Rents) Act Amendment Act, 1959, apply with respect to such premises or any lease thereof entered into after the passing of the said Amendment Act.

This new clause proposes three distinct amendments which are all intended to remedy hardships and to carry out the logical results of some of the existing provisions of the Act. Section 6 (2) of the 1953 Act sets out various

exemptions of leases of premises from the operation of the Act. These exemptions have been built up over the years; two were added in 1953, another in 1954, and in 1957 a further amendment was made which is relevant to the new clause I have moved. Section 6 (2) (a) of the 1953 amending Act provides that the Act will not apply with respect to any lease entered into after 1953 of any dwelling-house the erection of which was completed after 1953, and which or any part of which has not been used for the purpose of a residence at any time prior to the passing of the Act. In other words, any new house built after December, 1953, is not subject to the Act, and I have no complaint about that.

Section 6 (2) (b) can be linked up with (a). It gives substantially the same relief, but instead of providing that that relief could be granted to any portion of any premises, in order to get freedom from the Act the leasing has to be of the whole of the premises. After the introduction of those two amendments in 1953 the Government complained that not much was done under them, either to build accommodation for residences or to let residences with freedom from the Act. I suggest that in respect of (b) one of the main reasons is that the whole of premises have to be let; no exemption is given if part of premises is let. I see no reason why the exemption should be limited to the whole of the premises, and if my amendment is carried, relief can be obtained in respect of portion of the premises if that portion of the premises had not been let at any time between 1939 and 1953.

The CHAIRMAN—The honourable member appears to be dealing with parts (a) and (b) of the new clause, but I think that he will have to take them separately.

The Hon. F. J. POTTER—Actually I am dealing with the deletion of the words "of the whole" in (a).

The Hon. Sir ARTHUR RYMILL—On a point of order, proposed new clause 2a contains two amendments, and I submit that they will have to be separately dealt with, and the honourable member should not now be dealing with the second half.

The Hon. F. J. POTTER—Proposed new clause 2a involves two amendments—one to strike out and one to add, but they are not related. I am asking the Committee to consider striking out the words "on the whole" in the first line of (a) of the new clause.

The Hon. Sir LYELL McEWIN (Chief Secretary)—No doubt much consideration has

been given by Mr. Potter to drafting his new clause, but it does not help me to have had it placed on my file only this morning. I should like an opportunity to examine it so that I may be able to contribute something to the discussion. I therefore suggest that progress be reported.

Progress reported; Committee to sit again.

DOG FENCE ACT AMENDMENT BILL.

Bill recommitted.

(Continued from November 19. Page 1723.)

Clause 3—"Duty of owner to maintain dog fence and destroy wild dogs"—reconsidered.

The Hon. C. D. ROWE (Attorney-General) —It will be remembered that when we last considered this Bill it was agreed that a reprint should be made so that it could be more easily understood. That has now been done. The position is that the Bill when introduced by the Government contained what is now section 3 (3), which, as amended, reads:—

(3) An owner of any part of the dog fence, who fails within the time limited by notice served under subsection (2) hereof to comply with any of the provisions of subsection (1) of this section specified in such notice shall, in addition to any liability that may be incurred under section (2) of section 23 of this Act, be guilty of an offence and liable to a penalty of not less than £50 and not more than £100.

Mr. Robinson moved to insert a new subsection (2) which provided that the board may serve

on the owner a notice setting out what had to be done to the fence and allowing him one month from the date of the giving of the notice, or the further period specified in the notice, to comply. If this subsection is retained it will considerably hamper the administration of the Act as regards subsection (3). I therefore feel that I should revoke the answer I gave Mr. Robinson that I could agree to the insertion of the new subsection (2), and I ask that it be deleted, so that the Bill will be as originally introduced. I therefore move—

To strike out "subsections" in subclause (1) and insert "subsection"; to strike out the whole of subsection (2); to strike out "(3)" on page 2 and to insert "(2)"; after "fails" to strike out "within the time limited by notice served under subsection (2) hereof"; and after "section" in line 4 to strike out "specified in such notice."

The effect will be to delete the amendment moved by Mr. Robinson and to leave the Bill as originally introduced.

Amendment carried; clause as amended passed.

Bill reported with amendments and Committee's report adopted.

ADJOURNMENT.

At 4.21 p.m. the Council adjourned until Thursday, November 26, at 2.15 p.m.