

**LEGISLATIVE COUNCIL.**

Thursday, April 21, 1960.

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

**QUESTIONS.****MILLICENT AREA SCHOOL.**

The Hon. A. C. HOOKINGS—As I understand that a site has been approved by the Education Department for an area school at Millicent adjacent to the Robe-Penola road at a spot known as Kangaroo Inn, when is that school likely to be established?

The Hon. C. D. ROWE—I cannot give the honourable member the information without reference to my colleague, the Minister of Education. I will do that and let him have a detailed reply in due course.

**MAINTENANCE OF ROADS ADJACENT TO RAILWAY CROSSINGS.**

The Hon. Sir ARTHUR RYMILL—I ask leave to make a brief statement prior to asking a question.

Leave granted.

The Hon. Sir ARTHUR RYMILL—I am not quite sure to which Minister I should address my question, but it concerns the relationship of roads to railway crossings. It has been noticeable for a long time, particularly on Anzac Highway and South Road, that ridges have been building up on roads around railway lines as they are remade to the extent where the thousands of motor cars and other vehicles that pass over these crossings, however slowly or however fast they go, receive a considerable jolt. Many types of goods delivered nowadays are of a very frail nature; such as radio and television sets. My question is not asked in any critical sense, because the problem has been building up over the years and I am not sure whether the responsibility is that of the Highways Department or the Railways Department, or even whether in some cases local government bodies are concerned. I ask the Minister concerned to endeavour to see whether or not these crossings cannot be smoothed out in view of the many thousands of vehicles that pass over them daily.

The Hon. N. L. JUDE—This is an example of what happens on many occasions where there is dual control, which, of course, in a case like this is inescapable. The correct answer I think is that the Railways Department has control of the track—as does the Tramways Trust—and has the responsibility

of re-instating it between the rails and for some small distance on either side. Also, as Minister of Roads, I feel I must accept some of the responsibility, as the trouble is caused by traffic on the roads. If the honourable member desires to have more specific answers, I will see what I can do about it.

The Hon. Sir ARTHUR RYMILL—Will the Minister relate his answers particularly to the crossings on Anzac Highway on the Adelaide side of Keswick bridge over the line that leads into the Show Ground, and also the crossing at Hackham?

The Hon. N. L. JUDE—I shall be pleased to do that.

**ADDRESS IN REPLY.**

Adjourned debate on motion for adoption.

(Continued from April 20. Page 219.)

The Hon. S. C. BEVAN (Central No. 1)—I associate myself with the remarks of previous speakers concerning Her Majesty the Queen, particularly relating to the recent birth of another son. I feel sure that the people not only of South Australia, but those of the whole British Commonwealth, rejoice at this happy event and all are pleased to know that Her Majesty and her baby are doing well. I also associate myself with other speakers in expressing pleasure at the engagement of Her Royal Highness, Princess Margaret, and feel sure that the whole of the British Commonwealth rejoices at the news of her forthcoming marriage and wish her the greatest happiness in her future life.

I also join with other honourable members in their tributes to Sir Robert and Lady George. Although we have had many Governors and their ladies who have endeared themselves to the people of South Australia, none has surpassed Sir Robert and Lady George. They really reached the people and had a great appreciation of their every-day problems; so much so that I feel that the popularity enjoyed by these distinguished representatives of Her Majesty has not been surpassed. In saying that I do not intend it in any way to be derogatory to previous Governors. We have had some very distinguished gentlemen representing Her Majesty in this State who set a particularly high standard for Sir Robert and Lady George to follow, but because of their continued close contact with the people they perhaps endeared themselves to the general populace more than any of their predecessors,

and I join with others in wishing them every happiness in any future sphere in which Her Majesty may be pleased to place them, or wherever they may be. The Hon. Mr. Condon spoke of the Lieutenant-Governor, Sir Mellis Napier, and of the services rendered by him. I associate myself with those remarks and support his suggestion that a fitting tribute to Sir Mellis would be to appoint him Governor of South Australia. If he had been a resident of England and had given to Her Majesty the same service he has given to South Australia it is possible that he would have been appointed her direct representative here. That is rather belated now, because we are aware there have been negotiations to appoint a new Governor. The appointment of Sir Mellis Napier as Governor would have been fitting and I cannot understand why one of our distinguished citizens cannot be appointed. Some South Australian citizens have given a lifetime of service to the State, to the Commonwealth and to other lands and no reflection would have been cast had a request been made to Her Majesty and it may have been made for the appointment of a South Australian. I can suggest no reason why such a request should not have been made and it would have been a fitting tribute to the services rendered to the State by Sir Mellis. I hope it is not yet too late to make some suggestion along those lines to Her Majesty.

I join with other honourable members in their expressions of sympathy to the widow and relatives of the late Mr. George Hambour. I know that I and other members were quite shocked by the suddenness of his passing. He was one who possessed a ready smile and made no distinction between members. He made it a practice to meet people in a ready and friendly manner and was ready to help all, irrespective of the political Party of the person making the request.

In supporting the motion for the adoption of the Address in Reply I congratulate the mover and seconder, and indeed all other members who have spoken, on the very high standard of their contribution to the debate. My comments include the contribution made by the Hon. Mr. Condon and the Hon. Mr. Bardolph. Very little now remains to be said, but I would be sacrificing my rights if I did not criticize the remarks made about the actions of the Commonwealth Arbitration Commission in increasing the basic wage in June, 1959, and in awarding marginal increases in December, 1959. I think that the Hon. Mr. Condon and the Hon.

Mr. Bardolph practically answered the statements made by the Hon. Mr. Potter on this point, but I intend to enlarge on their remarks. I disagree with the attack made by the honourable member on trade unions, union secretaries, and the Arbitration Commission. His attack was a direct one on the administration of arbitration in the Commonwealth and also, carrying the matter further, it was an attack on our State tribunals. The remarks made by the honourable member illustrate class distinction and reveal his prejudice against the workers of this State. Such a policy is the cause of all the trouble that has occurred in South Africa. The honourable member referred to one conciliation commissioner as an ex-chauffeur. That statement may be true, but it does not detract from the qualifications of that man for the position of commissioner. No person is appointed as a commissioner just because he was chauffeur to a Minister prior to his appointment.

The Hon. F. J. Potter—Did he have any industrial background?

The Hon. S. C. BEVAN—The point I make is that the decent thing to do before making a statement of that kind is to consider the position. That comment applies also to the appointment of people in other walks of life. I have had considerable industrial background in this State and in the Commonwealth court, and I believe I would be experienced enough in industrial matters to carry out the duties of a commissioner. It could be said, "Here is another political appointment—a union secretary has been appointed to the industrial commission. What would he know about it?" A reflection has been cast on the commissioner because he was previously chauffeur to a Minister of the Crown. Let us look at the qualifications of other commissioners. Perhaps one of the best the Commonwealth has ever had was Mr. Commissioner Galvin. If we go back into his background we may find that at some time he knew nothing at all about industrial matters, but he finished up by being appointed Commonwealth Public Service Arbitrator, and no commissioner could today surpass him in his knowledge of industrial matters. It was a distinct reflection upon the commissioner himself when that reference was made. I cannot feel that it was done with any purpose other than attempted ridicule of an industrial commissioner.

The picture painted by the honourable member was one of deep gloom. I cannot reconcile his remarks with those of the Premier in

his weekly broadcasts, when he always attempts to convince the people of South Australia that their economic position is the soundest of any State in Australia. This is further borne out by what is said in His Excellency's Speech at paragraph 17—

During the year 1959 the rate of increase in employment in South Australian industries was much higher than that in any other State. The increase in numbers in civilian employment was 3.9 per cent as compared with 2.6 per cent for the whole of Australia and in factories 4.9 per cent compared with 3.5 per cent. The number of persons receiving unemployment benefit has been the lowest of the mainland Australian States, representing only three-tenths of one per cent of the estimated work-force.

That does not support the belief that we are in the throes of a steep inflation in South Australia, and that the position is such as to warrant an immediate clamping down on any proposed increase in the basic wage or margins.

If we go further and look at a publication by the Department of the Interior called *Facts and Figures* we find that the statistics for 1959 and for the first three months of 1960 are such that in no circumstances can we believe that the inflationary trend in Australia is so great that immediate action is necessary. These statistics show that our overseas balances have improved considerably. Apparently, information published in the press on that and on the latest returns for the Australian wool clip supports these figures. We can go further in our disbelief that the Commonwealth Conciliation and Arbitration Court is at fault in awarding any increase in the basic wage or margins. The honourable member said that the inauguration of the Conciliation and Arbitration Court itself was a long story. He said that power was given to the Commonwealth under the Constitution to introduce legislation for this purpose. He left it at that and did not explain the inauguration of the Commonwealth Conciliation and Arbitration Court or the Commonwealth Conciliation and Arbitration Act that was responsible for it, and what the court's purposes were. However, he did state that the court's function was never meant to be that of making Federal awards, as we know them today; it was meant only to adjudicate upon cases involving seamen and such people who might be travelling from State to State in their work. That statement can be refuted if we go back to the beginning and see what the original purpose was. With the indulgence of the House, I intend to do just that.

The passing of the Commonwealth Conciliation and Arbitration Act itself in the first place and, flowing from that Act, the establishment of the Commonwealth Conciliation and Arbitration Court go back to 1900, when the Australian colonies were federated under the Commonwealth of Australia Constitution Act. By section 51 of that Act the Federal Parliament was given the power to make laws for the peace, order and good government of the Commonwealth in respect of 39 specific objects, one of which was "conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State." That last little paragraph is, apparently, one on which various interpretations have been placed. Have we not that same situation today? A dispute must extend beyond the borders of any one State before the Commonwealth Arbitration Court has any jurisdiction at all. The intention in the first instance, by the use of that particular phraseology, was that any industrial matter going beyond the limits of any one State was within the jurisdiction of the Commonwealth Court. The Commonwealth itself, of course, did exercise its powers. The first Bill on this subject was introduced by what was known as the Deakin administration in order to set up the Commonwealth Conciliation and Arbitration Court. The Hon. Mr. Deakin himself at the time he introduced the Bill explained it in the House in these words, "The object of this measure is to prevent strikes." Those words are to be found in the Commonwealth Parliamentary Debates, Volume 15, at page 2862. In other words, in those days the object was to suppress the workers. That is what brought the measure into operation, but it did not pass through the Commonwealth Parliament at that stage. The Deakin administration was certainly non-Labor. It was not until December 15, 1904, that the Reid-McLean administration, another non-Labor Government, passed the legislation setting up the Commonwealth Conciliation and Arbitration Court. That was an inheritance from the Deakin administration.

In order that the unions and the workers of those days would be compelled to abide by the decisions of the Arbitration Court the Government imposed compulsory arbitration. The unions did not seek compulsory arbitration, but were forced into it by the legislation brought down by the Government of that time. Since then compulsory arbitration has been accepted by the whole of the trade union movement, and the umpires' decisions have been accepted. There was no move from the

trade union movement in Australia, and certainly not in this State, for a discontinuance of our arbitration system. I suggest to the Hon. Mr. Potter that he cannot have his cake and eat it too. Either we believe in arbitration or we do not. If the honourable member favours the discontinuance of arbitration and if we adopt a system of collective bargaining, such as that in America, I believe there would be a considerable number of trade unionists and union organizations that would welcome it.

The Hon. F. J. Potter—I did not advocate abandoning arbitration and adopting collective bargaining.

The Hon. S. C. BEVAN—I know, but if that were done the honourable member would find that the employers themselves would be a lot worse off than they are today. In other words, wages in this country would be considerably higher.

The Hon. F. J. Potter—What I suggested was that we limit the sphere of the Arbitration Court's activities.

The Hon. S. C. BEVAN—The honourable member did finally, but his speech was a direct attack on the arbitration system because, in his opinion, it had the audacity in the first instance to increase the basic wage and later to increase margins.

The Hon. F. J. Potter—My point was that arbitration falls down if it is too widespread. We must narrow the field of its activities.

The Hon. S. C. BEVAN—If it falls down the only alternative is the discontinuance of arbitration. If arbitration falls down what is the use of it? We should then have to reconstruct the whole system.

The Hon. F. J. Potter—It only falls down in certain circumstances.

The Hon. S. C. BEVAN—Yes, in the honourable member's opinion when the unions' application for a wage increase is granted, but if it is rejected it does not fall down. In 1904 the trade union movement was not organized efficiently like it is today, for it was in its infancy then. There were only a few trades organized in those days, and because there had been a few strikes, such as the shearers' strike and the seamen's strike, a Federal Act was passed for compulsory arbitration so that they could be controlled.

The Hon. F. J. Potter—You do not suggest there was any strike or threatened strike by trustee officers, do you?

The Hon. S. C. BEVAN—I am dealing with the history of arbitration, and the honourable member did not explain that in his speech. He told us that under the Constitution the Commonwealth Arbitration Court had certain powers, and left it at that. He complained bitterly about the present system and the powers of the court as laid down by other tribunals to deal with industrial disputes extending beyond the borders of any one State. I feel sure from his remarks that he would agree with me that unless a dispute extended beyond the borders of one State the Commonwealth Arbitration Commission would have no jurisdiction.

The Hon. F. J. Potter—Once you are in the court you are there for all time.

The Hon. S. C. BEVAN—That is the effect of compulsory registration. Once a union is a registered organization in the Commonwealth court it is forced to go into the Commonwealth court. Once it is registered it can place claims before the court, but if it is not registered it cannot go before the Commonwealth court. Therefore, in order to get adjudication in the Commonwealth court the organization has to register, otherwise it cannot get an award for its members.

The Hon. Sir Frank Perry—Couldn't they get a common rule?

The Hon. S. C. BEVAN—The Commonwealth court has no power to make a common rule, and the honourable member should know that. Of course, the State Industrial Court has power to make a common rule.

The Hon. Sir Frank Perry—There was an arrangement to take in non-unionists.

The Hon. S. C. BEVAN—What happened was that under National Security Regulations during the war certain regulations might have increased wage rates or laid down various conditions of employment for certain Commonwealth Government employees. That was outside the scope of an award or determination, and those employees were covered by award rates and conditions although they were not members of the unions concerned. There was no compulsory unionism either in the Commonwealth jurisdiction or in this State's jurisdiction.

The Hon. Sir Frank Perry—There was compulsory payment for those employees.

The Hon. S. C. BEVAN—Certainly, when there was an award in operation, but unless an industrial organization is registered there is

no compulsory payment for its members, not even the basic wage. My point is that organizations were forced to register in the Commonwealth jurisdiction in order to get before the Commonwealth court to have an award made. As I said a while ago, disputes do extend beyond the confines of any one State, and I am sure Mr. Potter will agree that unless they did the Commonwealth Arbitration Court or any other commissioner would have no jurisdiction. I draw attention to the fact that in about 1946, because of the small quantities of coal being received in South Australia, the Electricity Trust was forced to ration electrical power to industries. Power was made available at various times on various days in different districts, as well as on Saturdays and Sundays at given periods. As a consequence a wholesale application was made to the commissioner for the suspension of Federal awards in this State to permit industry to operate at irregular times because of the rationing of power without being compelled to pay the penalty rates for Saturday and Sunday and holiday time laid down in the award. That application was granted in both the Commonwealth and the State courts. However, those conditions did not extend beyond the confines of this State, or outside the metropolitan area in the main, but the court suspended the awards and determinations because of the peculiar circumstances at that time. So we have to look at both sides of the question; when it is on the employer's side it is quite all right but when it is an application for an increase in the basic wage or in margins, and it is granted, it is all wrong in the eyes of some people.

I construed the honourable member's remarks as being in complete opposition to the adjudication of the Commonwealth Arbitration Court in respect of both the last increase in the basic wage and in the margins case. However, we should consider the whole of the ramifications. The honourable member tendered a list of 51 awards under the jurisdiction of the Commonwealth Arbitration Court, but he did not mention those under the State Industrial Court which was set up by Act of Parliament in 1920 when the Industrial Code was inaugurated. I do not want to take up the time of the House by reading all this list and I feel that I may be accorded the same privilege as the honourable member had by having them inserted in *Hansard* without their being read.

Leave granted.

The list was as follows:—

State Wages Boards Determinations.  
 Aerated Waters  
 Bakers  
 Bicycle Makers  
 Biscuit and Confectionery  
 Boot and Shoe  
 Breadcarters  
 Bricklayers  
 Brushmaking  
 Carpenters and Joiners  
 Casing Workers  
 Cement, etc., Brick and Roofing Tile  
 Chemists, Retail Pharmaceutical  
 Clay Brick and Roofing Tile  
 Clerks  
 Earthenware Pipes  
 Fibrous Plaster  
 Furniture  
 Hairdressers  
 Hospital Domestics, etc.  
 Hotels, Clubs, Coffee Palaces  
 Jewellers and Opticians  
 Laundries  
 Lift Attendants  
 Manufacturing Wholesale Chemists and Grocers  
 Masons and Builders' Labourers  
 Painters and Decorators  
 Paint, etc, Manufacturing  
 Plasterers and Terrazzo Workers  
 Plumbers  
 Pottery  
 Poultry, Rabbits and Fish  
 Restaurants  
 Roofing Tile and Asbestos Cement Fixers  
 Saddlery, Leatherware, etc.  
 Sail and Tentmaking  
 Service and Parking Stations  
 Shop Board No. 1  
 Shop Board No. 2  
 Stone, Gravel and Sand  
 Storemen and Packers  
 Watchmen  
 Wholesale Sellers and Distributors  
 Wine, Spirits and Distillery

#### State Awards.

Aerated Waters  
 Asbestos Cement Articles Manufacturing  
 Bakers  
 Boarding House, Cafe, Messroom, Fruit-shop, etc.  
 Breadcarters  
 Brick, Tile and Earthenware  
 Bricklayers, Tilers and Tuckpointers  
 Builders' Labourers  
 Caretakers and Cleaners  
 Carpenters and Joiners  
 Cement Manufacturing and Stone Quarrying  
 Chaff Milling  
 Chemists (Retail Pharmaceutical)  
 Clerks  
 Commercial Broadcasting  
 Commercial Travellers  
 Dental Mechanics and Attendants  
 Draughtsmen and Tracers  
 Drivers (Goods Carrying)  
 Drivers (Passenger Carrying)  
 Fibrous Plasterers  
 Hotel Barmen, Cellarmen, etc.

Meat Canning Industry  
 Milk Processing and Cheese, etc, Manufacturing  
 Miscellaneous Mining  
 Painters and Decorators  
 Photographers and Photographic Dealers  
 Pipe (Reinforced Concrete) Making  
 Plasterers, Terrazzo Workers and Labourers Assisting  
 Plumbers, Gasfitters, Galvanized Iron-workers  
 Quarrying, etc, Stone and Sand  
 Rubber Workshops, Tyre Retreading  
 Salt, Gypsum and Plaster Industries  
 Service and Parking Stations  
 Ships' Watchmen  
 Shop and Warehouse Employees' (General—Country)  
 Shops—Port Pirie  
 Window Display  
 Wine and Spirit

The Hon. S. C. BEVAN—That is a total of 82 compared with the 51 Federal awards mentioned by the honourable member.

The Hon. F. J. Potter—But there are more people under those 51 awards than under the 82 State awards.

The Hon. S. C. BEVAN—Granted, but not to any great extent. On examination it will be found that the wage rates applicable under the State awards are not as high as under the Federal in a considerable number of instances, so when the honourable member suggested that the State Industrial Court was forced to follow the Commonwealth Court in these matters he was not correct. I have had considerable experience in both the State and the Commonwealth Arbitration Courts as an advocate for organizations. The honourable member gave as a probable reason for the upward trend in wage rates the pressure exerted by union secretaries to foment industrial unrest so as to persuade their members that they were doing their job and thereby ensuring their re-election every year or every five years as the case might be. To begin with, there is no five-yearly term of office for any union secretary because the Commonwealth Arbitration and Conciliation Act provides that elections shall be held at intervals of not longer than three years. I do not wish to pat myself on the back, but I was elected as a union secretary in 1942 and I enjoyed the record of being elected unopposed on every occasion—and our organization was not always in the court seeking wage increases. When I was associated with another organization for which I was both State and Federal Secretary I appeared as an advocate in both courts and am proud to say that 90 per cent of our awards were by consent, both

parties being in total agreement. I could produce those awards as proof for the information of the honourable member. It was our practice to meet the employers around the table and we usually came to an agreement, so there could be no question of pressure tactics there. I would say that that applies to perhaps 90 per cent of organizations within this State.

Among the list the honourable member produced was the coopering industry. I know a little of that, having been secretary of the union in this State since 1942. The honourable member asked how many of our coopers travelled in other States, and I would inform him that frequently coopers from this State go to other States, particularly Victoria, to follow their occupation. All the vats used in Victoria are manufactured in this State. They are first assembled here, then taken to pieces and sent to their destination and a team of coopers goes with them to reassemble them in the winery or distillery that has purchased them. Does the honourable member suppose that we are the only organization whose members go to other States in the course of their employment? The award rate for coopers in New South Wales is £20 6s. a week. In Victoria it is from £19 19s. to £22, the higher rate being paid as a result of a conference of the unions and the employers, mostly for brewers. In Queensland there are two awards. Under the general award the rate is £19 1s. 6d. and under the meat works award it is £19 19s. The award rate in South Australia is £18 7s. a week under Commonwealth jurisdiction, so where do we go from here? The Commonwealth Arbitration Court must be wrong because if the work is worth £20 6s. in New South Wales why is it not worth that here?

The Hon. F. J. Potter—The rates are based on margins above the basic wage. That is the explanation.

The Hon. S. C. BEVAN—Of course, we could easily inflate that figure if we took in, as the honourable member did, all of the high salary ranges.

The Hon. F. J. Potter—I used the payroll tax.

The Hon. S. C. BEVAN—Tradesmen in this State—the fitter and turner under the Metal Trades Award and others—are being paid £18 7s. a week, and the peculiar thing is that the Arbitration Court tied the Coopers Award to the fitter and turner's rate under the Metal Trades Award. When the Metal Trades Award

is being considered in the court other industries automatically come within the same application. The Commonwealth Court takes the Metal Trades Award as the measuring stick for margins, and everything flows from that. The honourable member said that it was completely fallacious even to imagine that the basic wage and margins were two separate things. That is not the first time that that opinion has been expressed, because I read it in a publication of the Institute of Public Affairs. That statement was that there should be only one inquiry and that at that inquiry the basic wage should be fixed and the margins should be fixed. The very thing the honourable member was complaining about was an application in the court dealing with one industry from which everything else eventuated. Let us assume that one inquiry was held into both the basic wage and into margins. How does the honourable member reconcile his remarks that one application would be made applicable to every margin and every trade? It is impossible to do that. It is all right to talk about it, but in practice it could not be attempted. The basic wage hearing is for one particular purpose, and the regimen has now been altered. One hearing dealt with the so-called living wage and the other dealt with skill margins or what should be paid over and above the living wage to reward workers for the class of work done and for the education required to carry out the job. They are two completely different things. If the court's judgments are examined it will be seen that the court made a suggestion about this. It said:—

The Court and the Commission have both been conscious of the fact that in basic wage cases they were dealing with the basic wage alone. The question of margins, which is normally one for a Commissioner, has not been then before them; we deal separately with economic capacity.

The Hon. F. J. Potter—In both instances.

The Hon. S. C. BEVAN—Isn't it sound reasoning? First of all the court inquires into a minimum wage or a living wage supposedly based on the needs of a man, his wife, and three children, or a family unit of five. Members know what the regimens were prior to the alteration of 1959 at the basic wage inquiry. The regimens were set on the C series index, but that has now been completely altered and various other regimens have been adopted by the Court.

The Hon. F. J. Potter—That is only a jumping off point. The real point is the capacity of industry to pay.

The Hon. S. C. BEVAN—Amongst other things. The honourable member has pinned practically the whole of his remarks on the capacity to pay but the court had something to say in the recent margins decision on that, and the honourable member conveniently did not quote it. They are two separate questions and cannot be dealt with at the one time. If we analyse margins paid under State awards and determinations under our State jurisdiction and compare them with margins paid under Federal awards for a like industry, we find in practically every instance the Federal award is higher than the State award. What are we going to use as a measuring wand if we are to have one inquiry into both questions? Are we going to adopt the margin applicable to a butter maker as the margin applicable to a fitter and turner? How are we going to deal with that at the wage inquiry?

The Hon. F. J. Potter—That is exactly what I said—narrow the field of the inquiry and then arbitration can do something.

The Hon. S. C. BEVAN—Is not that what we have?

The Hon. F. J. Potter—No.

The Hon. S. C. BEVAN—In the first instance we have the living wage inquiry and in the second instance we have the field limited to what margin is applicable to a particular job. The hearings are confined to those two questions. The honourable member complained of the paucity of reasons given by the court in its judgment. He used a phrase that I do not intend to repeat. He attempted to lead all honourable members to believe that the only thing the court should have looked at was what he mentioned by way of interjection—capacity to pay. The court looked at that and it looked at other considerations too. It considered the principles of marginal fixation, over-award payments, the economic position and economic considerations, and the ability of industry to pay. This is one that the honourable member would not agree with and perhaps would not like because it is contrary to what he thinks—it assessed company profits in the aggregate rather than by the unfair concept of a rate of return on shareholders' funds; and finally it considered productivity in wage fixation. They were the matters the court considered in arriving at its decision to increase margins.

The Hon. F. J. Potter—I said I did not think they knew what they meant when they say "productivity."

The Hon. S. C. BEVAN—Let us examine what the court did. It took into consideration the effect of any increased wage on prices. Embodied in the judgment the court said, in dealing with prices:—

We are aware that in the past increases in wages have led to increases in prices and we believe that in some cases increases in wages have been used as an excuse for increases in prices when this could have been avoided.

The court also considered the effect of an increase in margins on inflation, and it dealt with this point when it considered the question of economic stability and the submissions made by the Commonwealth and State Governments. For the first time in history a submission was made and evidence was tendered by the Commonwealth Government. This action could have repercussions in the future if the Government is changed because the present Government has now laid down a procedure under which it is able to make representations in the Commonwealth Arbitration Court. When a Labor Government assumes office a different application may be made and it will be no use squealing then, because the present Government laid down the procedure. Under the heading of "Economic Stability" the court said:—

We are conscious of the desirability of attempting to maintain the economic stability which this country has achieved. We are also conscious of the desirability of ensuring that wage justice should be done to employees under this award. We have looked at the increase which we propose to grant in this case in the light of the submissions on our economic stability and we do not consider that such increases are so likely to affect that stability that the economy will be adversely affected. If marginal increases cannot be granted in times of economic prosperity such as that at the present, it is difficult to imagine when they can be granted.

That is what the court said in its judgment after hearing the submissions of the Commonwealth Government on economic stability and on what would flow from any increase in wages. That statement was made by the full commission and it was written into the judgment. On company profits the court said:—

We might add that the expression "percentage profits on shareholders' funds" is capable of more than one meaning and may mean somewhat different things in different companies. We therefore conclude that in looking at the important item of company profits we are most assisted by looking at the aggregate profits of companies. Considering those aggregate profits and bearing in mind other material which is before us we feel that the position of companies is such that they are able to bear increases in award wages.

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The commission dealt with all those questions on the submissions put before it by union advocates, employer organization advocates, and by the Government advocates, and after hearing them all and after weighing the submissions very carefully, the commission was of the opinion that margins should be increased. The Commonwealth Arbitration Court is using its powers as if it was intended that they be used, and even if a decision is made that does not meet with one's approval, surely it should be accepted. Unions do not always agree with the decision given, particularly when the decisions have been against the application, but they accept them. When the converse applies, surely the other parties should be big enough to accept the decision. I think the honourable member's remarks were limited to these fundamentals and I think his attack on the system should have been made earlier. If I am wrong, the honourable member is at liberty to correct me. I think he intended to convey that State Governments should not be bound by a tribunal for the fixation of wages and conditions of its employees, but that it should be free to determine those wages and conditions in the light of the economic position of the State. That is the interpretation I placed on the honourable member's final remark.

The Hon. F. J. Potter—It goes further than that. The State Parliament is involved.

The Hon. S. C. BEVAN—The conditions of industry and employment in this State come under the direct jurisdiction of the Attorney-General, so the matter would come to Parliament. Let us assume that this year, because of drought conditions, the revenue of certain Government departments is considerably reduced. I think the honourable member mentioned the Railways Department as an instance. Undoubtedly, its revenue will be greatly reduced as a result of the drought. Would the honourable member agree that the Government should say to railway employees operating under State jurisdiction, "Because our railway revenue is down this year, we cannot afford to pay you the full wage, but only part of it."? Under those circumstances employees in private industry would be receiving considerably more and men, apart from unskilled labourers, would not offer for service with the State Government. No skilled artisans would be available to the Government because they would seek employment in private industry, where they would be governed by an award that laid down minimum conditions.



On the other hand, if we received a bumper harvest with high prices offering for the products and our economic position had considerably improved, the Government could come along and say, "We are not quite so badly off now, and we will increase your wages by so much per week." It would be impossible to operate under those conditions. Immediately after the Arbitration Commission recently granted the 28 per cent margins increase the Prime Minister said that his Government would have to give effect to the decision to all Commonwealth public servants, and this was done. As a result some departmental heads received an increase of £900. The State Governments were then faced with the position of increasing the wages of their employees, or risking the loss of some of them to the Commonwealth service. It is not compulsory, and never has been, for the Commonwealth Government to accept a decision of the Commonwealth Arbitration Court in relation to its public servants. The Prime Minister forced the State Governments to increase their expenditure because the wages of State employees had to be advanced, and he then told State Premiers, "Unless you appear before the court to oppose any wage increases, don't come to my Government for funds." This was after it had forced the States to increase their expenditure. If the States had not done this, they would have experienced difficulty in getting skilled artisans because they would seek jobs in the Commonwealth service.

I know that the South Australian Government appreciates what has been going on for some time. When the State service gets a good man, he is often tempted to join the Commonwealth service. We have lost many administrative heads in this way. Mr. Potter in his speech indicated that the increase of 28 per cent in margins must be paid, and that the State Governments must follow the Commonwealth Government. The South Australian Public Service Board had before it an application from the Public Service Association for increased wages, in accordance with the 28 per cent marginal increase. It was told that departmental heads' salaries had been adjusted last year and that that must be taken into account in any further adjustment. There was no £900 a year increase to State departmental heads, as there was to Commonwealth departmental heads—not to say that they did not earn it and deserve it—but because of the adjustment to their salaries made last year it was said that the State Government could not afford to pass on the full

28 per cent increase in margins. I believe that the maximum increase granted to any South Australian public servant was £260.

The Hon. F. J. Potter—Have you heard anyone complaining about it?

The Hon. S. C. BEVAN—Plenty of them. Some of those on the lower income range had no adjustment made to their salaries last year; in fact they have had no adjustment since the marginal adjustments in 1954. I am referring to such people as third division clerks who are on a maximum of about £1,000 a year. When it came to the application of the 28 per cent marginal increase to these people, the board awarded only 17 per cent. Therefore, is it any wonder that we cannot get into our Public Service an influx of young educated people who could be trained to fill administrative positions?

The Hon. F. J. Potter—No one with initiative would stay on the State automatic scale for 12 months.

The Hon. S. C. BEVAN—Today we find that this type of person is not offering to join the State Public Service because the advantages offered by private enterprise are far superior. I know of one young man who joined the Public Service and took advantage of the Government's practice of paying the cost of a university course. Under the agreement, the employee is bound to stay in the service for a minimum of three years. This young man, who undertook the civil engineering course, was allocated to the Harbors Board. He obtained his degree in civil engineering. Immediately he was offered a position by a big American company which is operating here and one of the conditions was that he would be able to receive two years' training in New York, with all expenses paid. The offer was so attractive that he was prepared to pay to the Government department £600 to cover the charges for his education. It would cost a large sum to send such a man to America for two years, with all expenses paid.

The Hon. Sir Frank Perry—Such cases are only rare.

The Hon. S. C. BEVAN—I know that it is going on and the honourable member knows that what I have said regarding attractive offers by private industry is correct; and yet it is said that there should be no adjudication on salaries and conditions by any tribunal, but only by the Government or Parliament. I should hate to see such things happen here.

The Hon. N. L. Jude—You are not suggesting that State departments compete among themselves for available labour?

The Hon. S. C. BEVAN—I am certainly not, but the Government has to compete with private industry for skilled artisans. The Government should at least offer the same conditions as are offered by private industry, and until that is done the present position will continue and the Government will have to bear the expense of sending promising young men to the university, only to lose them to private industry on their obtaining their degrees. This has happened previously with some of our departmental heads. Because the Government will not or cannot pay a salary commensurate with the importance of a position held by a departmental head, it appoints such men as members of various boards at a fee to augment their salaries; and thus they receive what is commensurate with their real worth to the Government.

The Hon. Sir Frank Perry—You would not say that individuals in private employment do not join the Government service?

The Hon. S. C. BEVAN—Not very many of them.

The Hon. Sir Frank Perry—You should check up on that.

The Hon. S. C. BEVAN—I think that the honourable member would agree, if not on the floor of the House, then privately, that many offers are made to Government employees to fill executive positions in industry at a much higher salary than is received from the Government. When it comes to the question of the Government's ability to pay, we must consider all the ramifications and not pick out only one section. It would be a different story were it a decrease and not an increase that was involved. Because of the agitation of the Commonwealth about any further increase in the basic wage, the Court gave a speedy decision in the recent case instead of taking months over it, only because it was advocated that there should be no further wage increase. The fixation of wages in relation to prices is 12 months behind, not three months. Consideration is given to what has happened over the previous 12 months in any decision made. The honourable member did not mention our State Industrial Code, but he did mention that the State Industrial Court was tied to the Commonwealth. Under our State Industrial Code the trade union movement or an employers' organization can apply to the Board of Industry every six months for a review of the State basic wage, but under the Commonwealth jurisdiction the basic wage can be adjusted only once in 12 months. So to say

that we are tied completely to the Commonwealth is wrong.

It is not right that we should abide by and accept the laws of the country over a given period (they have been in operation for about 60 years) and then condemn them as wrong when a decision is given against us. If we cannot accept the umpire's decision, we should advocate the abolition of this system.

There is one question I should like the Minister of Roads to refer to the State Traffic Committee. It is common knowledge that week by week the density of traffic on our roads is increasing, being especially great at the week-ends. It has been necessary to look at some intersections in an attempt to get traffic flowing instead of its becoming congested. Some of our roads have three lanes, and the function of each is clearly marked. The right-hand lane is for traffic wishing to make a right-hand turn, the centre lane is for those wishing to go straight through, and the left-hand lane is for those intending to turn left. On such roads the traffic lights are adjusted accordingly. A green arrow allows either a right-hand or a left-hand turn before the green light comes on for the through traffic. I have noticed that drivers are tending more and more not to pull up behind the vehicles immediately in front of them in the centre lane if they intend to go straight through but to veer off into another lane and pull up behind vehicles intending to make either a right-hand or a left-hand turn. These motorists then find that they cannot go straight through on the green light because of the vehicles in front of them waiting to make a turn. This causes traffic congestion.

The Hon. N. L. Jude—It is an offence under the Act to do that.

The Hon. S. C. BEVAN—I did not think it was. I know it is an offence in New South Wales where one dare not get into a wrong lane. This practice is becoming more prevalent. Perhaps the Minister would refer this matter to the State Traffic Committee so that it might examine it and make a recommendation to the Government. I have pleasure in supporting the motion for the adoption of the Address in Reply.

The Hon. A. C. HOOKINGS (Southern)—It is indeed with great pleasure that I rise to support the motion for the adoption of the Address in Reply. Today being April 21 and Her Majesty's birthday, I am sure all honourable members will join with me in expressions of joy and salutation. We trust that Her Majesty will live for many years and enjoy

excellent health and happiness on her birthdays to come. It also gives me great pleasure to endorse the remarks already made by all honourable members about Her Majesty and the Royal Family. I should like to add to that endorsement my own expressions of loyalty and joy at the birth of a son to Her Majesty, and of happiness at the engagement of Princess Margaret. I join with honourable members in wishing her and her fiance many years of happiness.

I should like to express the appreciation of the people in my part of South Australia of the excellent work done by Sir Robert and Lady George, during the seven years they were with us. They succeeded in gaining the affection and love of all sections of the community. I, too, hope that their future years will be full of joy and happiness, wherever they may be.

There has been mention of the excellent work done by the Lieutenant-Governor, Sir Mellis Napier, and of the excellent way in which he delivered his Speech at the opening of this session of Parliament. I, too, appreciate all that he has done for South Australia over the years. During my first year as a member representing the Southern District, I have had much help from all honourable members both here and in another place. I was greatly shocked to learn of the passing of our friend, George Hambour. May I join in the expressions of sympathy to Mrs. Hambour and her family. I, too, feel that I have lost a friend. I know that this State has lost one who, had he lived and been given the chance, would have contributed a great deal to its prosperity and well-being.

As I have already said, I have had great assistance from my colleagues in this Chamber. I have appreciated that very much. I have also been greatly assisted by the various Government departments. I was delighted at the honour conferred on Sir Cecil Hincks by Her Majesty recently. Sir Cecil and Lady Hincks in performing their duties travel much through the country areas. The South-East of South Australia has many young returned servicemen who have been placed on the land under the Commonwealth War Service Land Settlement Scheme, administered in South Australia by Sir Cecil Hincks. He and his good wife have endeared themselves to the settlers there and their families. I know all join me in wishing them years of happiness.

As this debate nears its conclusion, it is difficult to find something to say about His

Excellency's Speech that has not already been covered. This debate has been of a very high standard. If at any time I have not been able to be present in the Chamber, the next morning I have read with much interest the speeches of honourable members who have spoken. I should like in particular to offer a word of congratulation to my friend and colleague, the Hon. Mr. Giles, for the way he moved the motion and the material he gave us. I should also like to congratulate the Hon. Mr. Potter who, as has been said before, seconded the motion fearlessly. The Hon. Sir Arthur Rymill two days ago mentioned the time taken in this debate by certain Opposition members in replying to Mr. Potter, and today we heard another speech confined mostly to replying to him.

However, I am sure that members will bear with me when I offer my appreciation of the manner in which the mover and seconder carried out their tasks; and so, right down through all the speeches, I truly appreciated all that I had heard or read. I am proud of the Government for the way it has handled the affairs of this State during an extremely bad season. After hearing so much about the aridity of a great part of our State, it is extremely gratifying to read in this morning's press more of the details of the scheme which the Premier envisages and which I trust will be carried out on the Murray River. And those who have read the further report in this afternoon's press will learn of another factor which will make it even more wonderful, not only for South Australia but for Victoria, namely, that a hydro-electric power station is envisaged when that great dam is constructed. The Premier and his advisers are to be congratulated on another example of great vision; another example of something which in years to come will be of untold benefit to South Australia—more even than we now visualize.

Water is of the utmost importance to South Australia and as a member of Southern District, and living in an area where, as my colleague the Hon. Mr. Densley has mentioned, pure, fresh water runs to waste into the sea every day, it is with great concern that we learn of the necessity to reticulate water north and east of Adelaide. I join with Mr. Densley in envisaging the day when fresh water will cease to flow into the sea, and hope that some way will be found to use one of the most wonderful of all Nature's gifts in more needful areas.

Last year I mentioned my appreciation of our roads programme, and I do not intend

today to say much more about it, except that I am still happy with the way in which our road system is progressing. I would like to say how much I appreciate the fact that the Minister of Roads is to go abroad shortly, and I take this opportunity of wishing him an interesting and beneficial time and a safe return so that he can bring back to us interesting information that we all desire on what is going on in other parts of the world. I feel sure that South Australia will be the richer for his trip. I trust that he will take particular notice of the role of private contractors in the construction of highways. It is interesting to note that they are doing some of the work for the Engineering and Water Supply Department in relation to the construction of drains in the South-East. In Victoria the highway from Melbourne to Geelong—one of the busiest roads in Australia—is being converted into a dual highway, and anyone who has passed that way recently will have noticed that private contractors are employed in the construction of the second lane. The work is being done very rapidly and, I understand, quite economically. In the United States of America the great highways—they call them turnpikes—are being constructed in the main by private contractors, and I trust that the Minister of Roads will seek information in that regard which may be used to advantage in South Australia.

Last year I referred to the use of sewage effluent. As a newcomer to the city amongst people who know more than I do about it I have learnt that the scheme I envisaged, namely, use of sewage effluent untreated is not possible. However, I am pleased to find that in connection with the proposed sewage treatment plant north of Adelaide consideration is being given to the utilization of the water after it leaves the treatment plant. I am sure that in this arid State where such vast amounts of water are being pumped at great cost from the River Murray to serve the city and other towns, everything possible should be done to utilize as much as possible the effluent available from sewers, because everyone engaged in agriculture knows that moisture is the basis of all production.

Another thing that has caused me and many others much concern is the illegal use of motor vehicles and, in some cases, the relatively small penalties imposed. I have been very interested in this matter for a long time because, in a big city, a few years ago (although not in Australia) I had a car stolen. I understand what it feels like. In

areas adjoining the eastern borders of our State this practice, which is fairly prevalent, and increasing, is causing people a great deal of hardship and concern. I have a friend who was struggling along in a business and his car was removed from his backyard at night. After a few days he was informed that the car had been found in New South Wales, and he had to retrieve it at his own expense. Had he decided to prosecute the offender he would have had to bear the whole of the costs of bringing that man back from New South Wales to appear before our courts. Another person, a widow, suffered a similar experience, and I hope that something can be done before long to facilitate justice in respect of illegally used or stolen cars without inflicting undue hardship on the owners. I have been told that the Act provides ample penalties, and I find that the prescribed penalty for a first offence is imprisonment for not more than 12 months, and for a subsequent offence, imprisonment for not less than three months or more than 2 years, but how often do we find penalties of that nature imposed, particularly in rural areas?

I have noticed recently that more severe penalties are being imposed in the metropolitan area, but in the country, many miles from Adelaide, the offender is usually brought before a Justice of the Peace and only a moderate fine is imposed. I have been told that these young people who use cars for what they term joy-rides have only used them illegally, but they are costly vehicles of great value to their owners, and I fail to see why such illegal use should not be treated as theft. If I took a watch from a watchmaker's counter and then claimed that I merely wanted to borrow it for the afternoon so as not to be late in attending Parliament, I am sure that I would be regarded as having stolen the watch. I do not suggest that everyone who uses a car without permission should be treated as a thief, but I do say that higher penalties should be imposed in most cases, for it is a practice that should not just be reduced, but wiped out altogether. Several requests have been made to have a resident magistrate in the South-East. I have referred to the penalties inflicted on persons illegally using motor cars and perhaps I would learn of heavier penalties being inflicted if a resident magistrate lived in the South-East.

The Hon. K. E. J. Bardolph—The honourable member is not suggesting he would be stricter

if he lived there than other magistrates would be?

The Hon. A. C. HOOKINGS—There is no magistrate in residence there at present but a magistrate comes from Adelaide at intervals. Therefore local justices are put to a great deal of work in dealing with cases in the South-Eastern courts because the number of offences has risen considerably due to population increase. I am sure that the appointment of a resident magistrate would relieve some of the demands imposed on business men holding a commission of the peace. The Honourable Mr. Densley and the Honourable Sir Arthur Rymill, in their contributions to the debate, spoke of the establishment of a national theatre in Adelaide. I support them in their remarks and suggest that the establishment of such a theatre would be of great value to a city like Adelaide. I support comments praising the organizers and all concerned with the recent Festival of Arts held in Adelaide. People who enjoyed the festival appreciated the effort that was put into it and, when the festival is repeated, I am sure we shall all enjoy something greater than ever. Many people who attended Adelaide during the festival left with a fine impression not only of Adelaide's effort, but of our city itself, and I believe that they will relate their experiences to their friends. When the festival is repeated I am sure we can look forward to another treat of which we shall be proud.

Many words of praise have been spoken of the work being carried out by the Adelaide City Council, and although I am a country member it has been my privilege to drive around the city recently and view what is being done. I congratulate the City Council on the work it is doing in the park lands and in the River Torrens area.

The Hon. K. E. J. Bardolph—What about the dust?

The Hon. A. C. HOOKINGS—Rain fell last night and I am sure that everybody in this Chamber and in another place realizes the benefit and the improvements that will result from that rain. Dust should no longer be a nuisance as far as this season is concerned and I hope that we shall find that this rain is the forerunner of much more and that it will contribute to a good season. I mention the River Torrens in particular because of the scars that were seen in various parts. The City Council is to be congratulated on the way it is proceeding with beautification work in that area.

Whilst speaking in this vein I should like to mention that we are passing through an histori-

cal time. During the weekend, in the extreme lower South-East, the centenary of Port MacDonnell was celebrated. The people in the area went to great efforts and did a magnificent job in portraying the history of that locality. There were processions and exhibitions of historical interest for the enjoyment of everybody; and I assure honourable members that the huge crowd was glad that the display took place. I refer to historical interest particularly because South Australia is reaching a stage where it is beginning to appreciate its history, of which we should all be proud, and in which we should be greatly interested. There is in South Australia a national trust and although I am not very cognizant of the trust's activities I hope to know more of its work in the future. I wish the trust every success because I am just becoming aware of the value of South Australia's most interesting history and particularly of the history of the South-Eastern areas.

Honourable members have spoken of the railways, and they were mentioned in the Speech of His Excellency the Lieutenant-Governor. I have also heard questions asked in this House about sleeping accommodation on the railway to the South-East.

The Hon. K. E. J. Bardolph—Don't upset the Minister of Railways.

The Hon. A. C. HOOKINGS—The Minister is a colleague of mine and he is just as concerned as I am about the sleeping accommodation that is being provided for the South-East. As one who has used and does use the sleeping accommodation from Adelaide to Mount Gambier and as one who has a great interest in the future of the railways in this State I voice one or two thoughts that have occurred to me. Transport is one of the great Australian problems, but my remarks will be confined to passenger traffic rather than goods traffic. We have been provided with figures from the Railways Department and information that sleeping carriages used at the present time have been refurbished, but competition from air and road transport is strong and if the State wants to capture more rail traffic more money must be spent on the service to passengers even if further losses are incurred for a short time. If the services are improved it will be found that the increased turn-around will pay for the amenities provided. A person in private enterprise running a bus service could not attract business except by putting on the best possible modern transport facilities.

The Hon. K. E. J. Bardolph—Does not that indicate a lack of interest by the South-East?

The Hon. A. C. HOOKINGS—No. It is probably just a way of looking at things and I believe it is advisable to do something about it even if it costs the State a little more money for the time being. There is sufficient traffic in the South-East to warrant the expense.

During the debate the Honourable Mr. Giles referred to land settlement and I support his comments, particularly those made about State schemes aimed at helping young men to become established on the land. This State has achieved a great deal in the last few years and anyone who has flown over the South-East in a small plane and is able to survey the area from a low altitude can readily see and appreciate the great improvements that have been made there. Although the last three years have been comparatively dry I am sure that when we have normal seasons again the benefit of that land acquisition will be felt not only in the locality but throughout the State. I believe that other areas could be cleared and

more settlers could be settled on the land, but such areas are becoming more limited, and it is possible that some land which does become available could be purchased at a much higher initial cost in the lower part of the South-East. I do not suggest that such land should be compulsorily acquired, but it would be wise for the Government to consider paying more for some of the land that is already cleared but has not yet achieved maximum production. I live close to a property of that kind and every settler under the war service settlement scheme has done extremely well on similar country. I hope that the Government will act in that way because sometimes, to quote the ordinary farmer's language, "the first expense is the cheapest." I have much pleasure in supporting the motion for the adoption of the Address in Reply.

The Hon. Sir FRANK PERRY secured the adjournment of the debate.

ADJOURNMENT.

At 4.24 p.m. the Council adjourned until Tuesday, April 26, at 2.15 p.m.