

LEGISLATIVE COUNCIL.

Thursday, October 27, 1960.

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

ASSENT TO ACTS.

His Excellency the Lieutenant-Governor, by message, intimated his assent to the following Acts:

Evidence Act Amendment
Money-lenders Act Amendment
Art Gallery Act Amendment
Port Pirie Racecourse Land Revestment
Appropriation (No. 2).

QUESTIONS.**BUSINESS OF LEGISLATIVE COUNCIL.**

The Hon. F. J. CONDON—As the Notice Paper is getting very thin, can the Chief Secretary tell me whether any new Bills are likely to be introduced and when it is likely the Council will go into recess?

The Hon. Sir LYELL McEWIN—A couple of small Bills may be introduced, otherwise we have come almost to the end of the legislative programme. I can only say that the rising of the Council depends on Parliament. At the moment our Notice Paper is very thin, and it would be possible to complete the session next week, according to the position of the Notice Paper in the House of Assembly.

KINGSTON (S.E.) WATER SUPPLY.

The Hon. L. H. DENSLEY—I ask leave to make a brief statement prior to asking a question.

Leave granted.

The Hon. L. H. DENSLEY—For some time a water reticulation scheme has been under way at Kingston (S.E.) and the people there are concerned when the water will be available. Because of the expected supply, many people have allowed their bores and mills to get out of repair, and many houses have been built without provision being made for water. Can the Chief Secretary give an assurance that the water will be available this summer?

The Hon. Sir LYELL McEWIN—The three bores which will be the source of supply of the Kingston scheme have been sunk and practically all of the mains have been laid in the township. Tenders have been received for the pumping plants for the bores and they are at present under consideration. Three steel tanks, together with the stand, have been ordered and these will be delivered by the con-

tractor within a few days. Arrangements have been made for their early erection on the site selected for the concrete elevated tank. The matter is in hand and I assume that connections will be made to the tank.

PENSIONER COUNCIL RATES.

The Hon. F. J. CONDON—I have been approached by several pensioners regarding increased council rates, some of which have increased by 300 per cent. Is an amendment of the Local Government Act required to give councils power to remit rates, or under what other conditions can the position be met?

The Hon. N. L. JUDE—I understand that in order to provide a general remission an amendment to the Act would be necessary. Specific concessions can be given in the deferment of payment of rates, and this has applied for a few years. If the honourable member should like any further information I shall be pleased to obtain it for him.

HIGH LAND FOR SETTLERS.

The Hon. A. C. HOOKINGS—Has the Attorney-General, representing the Minister of Lands, any information regarding the provision of some high land for settlers in the Bowaker area near Kingston (S.E.)?

The Hon. C. D. ROWE—I took up this matter with the Minister and he has informed me that the holdings of the eight settlers in question measure up to the requirements of the War Service Land Settlement Scheme, but efficient management would be improved by the addition of high land. Nearby land held by the Commonwealth would be suitable, and negotiations for repurchase of this area by the State are in hand. When the State regains possession of this land it will be offered under the Crown Lands Development Act so that the settlers in question may make formal application for allotment of the respective portions.

NOOGOORA BURR.

The Hon. A. J. MELROSE—Has the Chief Secretary a reply to the question I asked some time ago regarding steps being taken to combat the introduction of Noogoora Burr?

The Hon. Sir LYELL McEWIN—The Minister of Agriculture is out of town, but I shall quote the following reply which was forwarded in answer to a representation made from my district:—

The Director of Agriculture comments upon your letter in the followings terms:—

It has been suggested, firstly, that burr-infested sheep be prohibited from entry by

regulation or, if necessary, an Act of Parliament. Secondly, that the entry of sheep into this State should be subject to the same conditions as those applying to sheep moving into Western Australia, viz., that they carry not more than six weeks' wool and are certified by a stock inspector to be free of Noogoora and Bathurst Burr. To be effective, both of these suggested procedures would require that officers of the South Australian Department of Agriculture inspect, at or near the State border, all sheep entering the State from New South Wales and north-western Victoria. It is clear that no Act or regulation would be effective without policing action, and a complete ban on all sheep, whether infested or not, from these areas would seriously affect the re-stocking of areas where the drought had forced a reduction of stock numbers.

With regard to the proposal to apply the conditions which apply to sheep moving to Western Australia, it is pointed out that there is no stock inspector in the area north of Broken Hill where Noogoora Burr is widespread. Implementation of such a proposal would therefore have to be in the hands of the South Australian Department of Agriculture. In contrast to the Western Australian situation, sheep enter South Australia by many routes. Road and rail transport and droving are all involved. While the area adjacent to Broken Hill possibly presents the greatest threat, burry sheep are likely to enter from the Yelta area. New South Wales sheep also may come into this State after changing hands at a Victorian saleyard.

It must be regarded as being quite impracticable to endeavour to inspect, at or near the border, all sheep entering from Eastern States. The regulations approved last month by the Lieutenant-Governor in Executive Council have given authorized officers under the Weeds Act, 1956, greater powers to deal with infested sheep. More important, they have acted as a deterrent to dealers bringing burry sheep into the State.

Officers of the Department of Agriculture have been attending sheep sales over the last month or so and it can be reported that there is no evidence of any burr-infested sheep entering the State during the last four weeks. It is therefore considered that the measures taken have proved effective in dealing with this problem.

That letter was dated September 23, 1960. Whether there has been further information since then the honourable member may know, but that was the position at that time.

FACTORIES DEPARTMENT INSPECTORS.

The Hon. F. J. CONDON—I understand that there are some vacancies for inspectors in the Factories Department and that applications were called some time ago. Can the Minister of Labour and Industry say whether it is likely that appointments will be made at an early date?

The Hon. C. D. ROWE—It is true that there are certain vacancies and I understand that applications have been called. I am not sure of the present position with regard to filling the vacancies but I will get information and will be pleased to forward it to the honourable member.

WATER FRONTAGES REPEAL BILL.

Read a third time and passed.

EXCHANGE OF LAND: HUNDRED OF WATERHOUSE.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:—

That the proposed exchange of land in the hundred of Waterhouse, as shown on the plan and in the statement laid before Parliament on July 21, 1959, be approved.

EMERGENCY MEDICAL TREATMENT OF CHILDREN BILL.

Adjourned debate on second reading.

(Continued from October 25. Page 1497.)

The Hon. L. H. DENSLEY (Southern)—When giving some thought to this Bill one must naturally have mixed feelings, for it deals with the protection of human life. If parents have a certain religious belief it can be readily understood that they will oppose any action not in accord with that belief. Throughout history there have been objections to advances in medical and other sciences. For instance, people protested against vaccination because of the need to kill animals to get the necessary serum. This Bill must cause us some concern, especially as a section of religious thought is opposed to the proposal. The Bill applies to children under 21 years of age and covers not only blood transfusions but surgery when that is necessary to save the life of a child. We must look at this matter from the humane point of view. Most people who are not of any special religious conviction say that the Bill is desirable. During the war the great leaders of several countries met and enunciated what they regarded as the principles of freedom, and one was the freedom of religion. The matter covered by this Bill is related to that. It would be regarded as murder or manslaughter if a blood transfusion or an operation considered necessary by a medical practitioner to save the life of a child were prevented and I wonder whether Parliament should sanction

such an action when on other occasions it would result in the person concerned having the death penalty or imprisonment for life imposed on him. This is another reason why the matter should be given serious thought.

Last session a Bill was passed dealing with people of a certain religious belief who for the rest of their lives would live within four walls and would be unable to go out and vote at State elections. The law was altered so that they could cast their vote by other means. At that time we regarded religious principles as so important that we altered the law. A Bill analogous to the Bill now before us was fully discussed when the Council dealt with compulsory chest X-rays and I believe the public now thinks that Parliament took the right and necessary action to improve the health of the community when it insisted on chest X-rays and subsequent treatment in cases where chest weaknesses were revealed. People have been able to see the results of action taken by Parliament and that tends to change their minds to a certain extent. I do not know to what extent religious bodies are concerned about this matter but, as the Bill has been on the Notice Paper for several days, I would have thought that there would be an outcry from bodies opposed to blood transfusions and emergency operations if they were greatly worried about it. However, as far as I know, there has been no request to members to oppose this legislation, and as I believe it to be in the best interests of community health and desirable and proper to over-ride the wishes of religious bodies for the betterment of the country as a whole I support the Bill.

I was a little concerned about possible difficulties in sparsely populated areas because the Bill provides that the medical practitioner should have had previous experience in performing such operations. The Bill goes further and provides that a second medical practitioner must agree with the diagnosis of the first doctor, that the operation is a reasonable and proper one to be performed, and that it is essential to save the life of the child. It is difficult to see how, in sparsely populated areas where doctors may be hundreds of miles apart, a second medical opinion may be obtained. If it were satisfactory to obtain the second opinion by telephone that would be all right, but if it involved a personal conference between two medical officers the Bill may not entirely cover the field that it sets out to cover. I would like the Minister to assure me that there are proper means under which consultations

may take place between medical officers before emergency operations and blood transfusions take place so that there will be no doubt in the mind of the community. Human life is valuable and from what we have achieved in recent years we may claim that we can do much more than was formerly dreamt of to protect human life. This is one method of achieving that end. I support the second reading of the Bill.

The Hon. Sir LYELL MCEWIN (Minister of Health)—In view of the remarks I made when introducing this Bill and those made by the Hon. Mr. Densley it is fair that I should point out to the Council that I have had approaches from a religious organization—Christian Scientists—that believes in faith healing. That organization made inquiries regarding the Bill, which I explained to the representative of that faith. I later received a request that the provisions of the Bill should be amended to exempt that organization from the proposed legislation. I have given that matter proper consideration and that is why I am now reporting it to the Council. There are, of course, difficulties regarding exemptions, as we have found in previous legislation. These matters relate to emergency provisions, and the Bill provides certain safeguards, namely, that consent to the operation has been refused by the person entitled to give that consent or if the person so entitled cannot be found, that the practitioner has had previous experience in performing the operation, that he has obtained a second medical opinion confirming the condition from which the child is suffering, that the operation is reasonable and proper for that condition, and that it is essential to save the life of the child. Further, in the case of every operation of transfusion of human blood the practitioner shall assure himself before commencing the operation that the blood to be transfused is compatible with that of the child. Those conditions were also mentioned by the Leader of the Opposition in his second reading speech. We have attempted to make all proper provisions for using the authority given by the Bill only in emergency cases, and there are difficulties associated with exemptions.

In New South Wales and Queensland no provision is made to exempt any section of the community from the provisions of Acts dealing with the emergency surgical treatment of children. There is also no similar provision in a similar Bill before the Victorian Parliament. The Bill before us goes beyond blood

transfusions to emergency operations. Conditions may arise, following an accident or some other situation, under which it is impossible to find the parents, and without some authority like this there could be a danger if the doctor were not protected in some way of his not being able to operate or do what was necessary in an attempt to save the life of a minor. When explaining the Bill I said that it was not our desire to interfere in any way with any religious faith. We have tried to protect those bodies in every possible way that we thought practicable. We had the same problem when introducing other legislation, but we were able to resolve our difficulties and I do not think there is now any objection to that legislation.

I would have liked to do something to meet the request that has been made by a religious sect but, having explored every possible avenue to give practical effect to it, I find I am unable to suggest an alternative. One can only hope, and I am sure that it will be so, that where it is known that some objection exists on religious grounds, the medical authorities or the authority making the decision will pay proper respect to that request. I undertook to give proper consideration to the request from these people, and the debate was adjourned so that I could examine the request and ascertain whether some practical answer could be found, but I am unable to suggest anything.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Certain operations may be performed on children without consent."

The Hon. L. H. DENSLEY—What is the position regarding consultation in places where doctors are hundreds of miles apart?

The Hon. Sir LYELL McEWIN (Minister of Health)—It is possible where personal consultations cannot be held, and this may occur in the northern station country or a similar place, a pedal wireless could be used by the doctor to consult another authority. I feel sure that anyone acting with the authority of this Bill would take all possible practical precautions before performing any operation. In an emergency it may not be possible for the doctor to consult another authority. Restrictions have been placed in this legislation, and that is as far as we can go, but the doctor must know what he is doing and that

he is doing everything possible in the circumstances. It is better for the doctor to take a risk in the hope of saving life than not to do anything. I feel sure that all medical practitioners will ensure, as they always have done, that all necessary precautions are taken. This legislation is necessary because of what has occurred in the past, and at present doctors will not take action because there is no authority for them to do so. This Bill gives doctors the necessary authority, but they are governed by the safeguards contained in it. I have consulted my officers and the Parliamentary Draftsman to see if the Bill can be altered in any way. Apparently this same problem has occurred in other States, but none of them has gone any further than we propose to do.

Clause passed.

Title passed.

Bill read a third time and passed.

PRICES ACT AMENDMENT BILL (No. 1).

Adjourned debate on second reading.

(Continued from October 26. Page 1536.)

The Hon. Sir ARTHUR RYMILL (Central No. 2)—I have opposed this measure every year since I have been in Parliament, and members will not be surprised when I say that nothing has happened to make me change my mind but, on the contrary, events since the Bill was last debated have further assured me that price control is more out-dated than it ever was, and should be removed from the Statute Book. In introducing this Bill over the years—I had read the second reading speeches in each successive year long before I was a member of this Chamber—the Minister has always made an unusual speech. The speeches have generally been distinguished more for their imagination and more for the inclusion of things that seem to me to have no reference to the matter than for anything else. This year's speech was no exception. It was one that could almost have been made in introducing any financial measure and to me it had no particular or specific reference to price control. In fact, it introduced certain matters that had no significant relationship to price control. Their only relationship was in a very remote way which could be applied to almost any other measure.

Before quoting a few examples I want to say that the Minister's speech this year was more notable for what it omitted than for what it included because it seems to me the

burden of the Government's song on the question of price control throughout its existence has been that it keeps down the cost of living. I have said before, and I say again, that I cannot understand why members of the Labor Party should support a Bill that keeps down wages. This has always been beyond my comprehension, particularly when it does so artificially in reference to items which have relation to the C series index, but does not control the other things of life which are virtual necessities for decent living, whereby wages, if price control is effective, are depressed in relation to the real cost of living. I am happy to see the introduction of the new consumer index, which I feel will ultimately replace the C series index as a gauge of cost of living standards. We are still working on the C series index, which is the only scientific gauge we have apart from the consumer index that tells us the standards of living and what the actual costs are.

While this measure apparently is aimed at keeping down the costs of living—that and solely that as I understand the situation—there was nothing in the Minister's speech this year which gives us any lead whether it has been effective in that regard or not. In fact, there is no reference that I can find in it as to the cost of living. I want to make that point very strongly because I believe it was omitted because the facts do not enhance or support in any way the Government's case in again proffering an extension of price control. I should like to quote the figure, which came out as recently as the 20th of this month, showing that the cost of living in Adelaide increased by 5s. a week in the September quarter, and rose by an average of 7s. for the six capital cities. In some cities it was higher and in others it was lower. There are certain very significant features in the comparisons given of the new C series figure. Despite the fact that we are about the only State with any substantial price control left, if I remember rightly in the previous quarter the cost of living rise was higher in South Australia than in any other State, which does not altogether substantiate the Government's case.

The Hon. C. D. Rowe—I do not think the honourable member's memory is very good.

The Hon. Sir ARTHUR RYMILL—It was either for that quarter or the previous quarter. In recent times in most quarters our cost of living rise has been the same as or greater than that of the other capital cities. It is significant that the figures reveal that the

theoretical basic wage in Sydney now is £14 14s. and in Adelaide it is the same. That seems rather startling, in view of the claims made for the effectiveness of price control in South Australia. I go to Sydney from time to time and was there recently and one would think the cost of living there was and should be considerably higher than in a primary producing State like South Australia, a State more remote from the expensive sort of living standards that exist in Sydney; and yet in Adelaide the theoretical basic wage is exactly the same as in Sydney, despite the fact that price control there was abandoned several years ago, whereas in Adelaide it still continues in full force.

Another very significant thing is revealed by these figures, and it is that whereas the increase in the last quarter in Adelaide was 5s., in Brisbane, which has virtually abandoned price control—if now applies to only a few items—the rise was only 3s.; and even a more startling comparison is that in Brisbane the theoretical basic wage is £13 16s. compared with our £14 14s. under price control. I do not think the figures substantiate any case for the Government, and indeed that was probably why there was no reference in the Minister's speech on the second reading to those figures. We hear all kinds of prognostications as to what would and will happen if price control is removed in South Australia. Price control was taken off in Queensland as recently as last year, with a partial de-control in August, 1958; most other items were decontrolled in February last year, but no substantial rise took place. About the time of their partial de-control, the increase in Adelaide was higher than in Queensland. We had a catalogue this year from the Government purporting to show why price control should be continued. Most of it seems to me to have no particular reference to price control. In his speech the Minister said:—

In deciding to seek an extension of the Prices Act, consideration has been given to a number of factors which have convinced the Government that it would be unwise to allow this legislation to lapse at this juncture. Chief of these are:—

The restraint of inflationary tendencies to the absolute minimum practicable is a vital foundation for consistent growth in exports of manufactured products.

I do not know whether the reference to exports relates to interstate or overseas exports. I do not think that South Australia under price control has the slightest advantage in maintaining the volume or percentage

of exports compared with other States. Then the Minister went on to say:—

For several years now primary producers have been caught between rising production costs and lower overseas markets, thus resulting in lower returns than previously enjoyed. We all know that, and it is unfortunate. That was dwelt upon for about half the speech. That presupposes that price control is effective and is going to do something to keep down costs for primary producers. In reply yesterday to the debate on the Appropriation Bill the Chief Secretary said something about the vast sum of money that had been saved by price control in this State on superphosphate. I know something about the manufacture, distribution and pricing of superphosphate. First, I think it would be impossible for the Minister to say what, if anything, price control had saved on superphosphate, because no doubt he was basing those figures on the prices applied for to the Prices Commissioner and the prices actually granted by the Prices Commissioner. That, as honourable members will readily see, is a completely fictitious comparison, because the prices applied for do not necessarily mean that those would have been the ones charged by the superphosphate companies in any event.

The Hon. L. H. Densley—It is like the application by workers for increased wages?

The Hon. Sir ARTHUR RYMILL—Precisely. In determining what prices would have been charged the companies must follow along an even course of some sort, and if they do not get the full price one year, they must try for a greater price next year, or *vice versa*. It may well have been that in the lush years of 1951 and 1952 the prices of superphosphate to farmers were reduced. I believe they were, and that they were reduced inordinately. These reductions were made at a time when farmers could have afforded to pay a reasonable price, and this has had an impact on superphosphate prices ever since, and it has not been to the benefit of the farmers. The average member of Parliament seems to think, particularly those honourable members on the other side, that all combines, and monopolies are an evil thing. I could give a case in relation to the superphosphate joint marketing organization in South Australia to show that it is a very virtuous thing, and I shall illustrate that by saying that superphosphate prices in this State are considerably determined by interstate competition, as are so many other lines. It probably would not matter very much in relation to super-

phosphate what the Prices Commissioner did or did not do, because in the ultimate competition will adjust the prices of all goods; and I feel that is the position in relation to superphosphate. There is a joint marketing organization in which each of the three major manufacturing companies has a certain quota to market. That organization is a very good one because it has a wonderful field force which goes around the State advising farmers and graziers what should be done in relation to their superphosphate requirements; but above all it says that there is not to be a war between the superphosphate companies whereby the prices of their products will be loaded by such things as advertising, and we all know how expensive advertising is. It also ensures that there is not great competition between the advisers themselves. This is an important factor in keeping down the price of superphosphate. I think that shows that combines, particularly of reputable companies such as they are, can be for the good of the consumer rather than to his detriment.

I do not propose to speak at length on the Bill this year. I did so last year because we had a number of new members in this place, and I felt that it was my duty to present to them argument, as I saw it, against price control. I have had a precis made of the speeches delivered by members of both Houses against price control. It makes interesting reading. If I were to read it right through it would be a valuable contribution to the debate, but I do not propose to do it because every member of this Chamber has previously expressed himself on price control. So far as I know, not one has changed his mind, and unfortunately it does not seem that any is likely to do that. I can tell now exactly how each member will vote on this matter. Therefore, it would be idle for me to go to elaborate lengths again this year. It would be merely beating the air, and I would not be able to persuade members to change their minds. If I thought that the result would be in any way worth while I would be prepared to talk on this Bill for as long as I could stand on my feet.

In the Minister's second reading explanation of the Bill various figures were quoted. From time to time members have said that figures can be made to mean anything. We can take percentages if percentages suit our argument, or we can take totals if they suit us best. I could give a simple example of that. In South Australia we talk about our great industrial expansion, and it might suit us to talk

percentage-wise. If we had one factory in a town and then another was put there it would be 100 per cent increase, yet we would still have only two factories. In another place there might be 1,000 factories and then another 500 may be built. That would be only 50 per cent increase, as against the other 100 per cent. That is precisely the value of the figures given in the second reading explanation.

We were told that Adelaide would soon be the third largest city in Australia, if that were not already the position. That, no doubt, is an achievement. To me it is a mixed blessing because I think Adelaide has passed the ideal size to make it an ideal city to live in. I think it has now become a large city and some of the better things and the close rural areas are disappearing, but that is only my personal view. Other people like cities to get bigger and bigger. The fact that Adelaide is now nearly the third largest city in Australia has nothing to do with price control. Do we mean that we should have price control because Adelaide is smaller than some other cities, or do we mean that because we are bigger than other cities we should have it? I do not know. Does it mean that the smaller or bigger cities should have price control? Fortunately, they do not have it. We were told about the population increase in country towns, but again what reference that has to price control I do not know.

The Hon. Sir Lyell McEwin—It is quite over your head.

The Hon. Sir ARTHUR RYMILL—Obviously it is. We were also told that despite one of the worst droughts in the history of the State the increase in the value of retail sales in South Australia was higher than for all the States for each of the four quarters ended March 1960. No doubt the figures given were correct, but whether that makes out a case for or against price control I do not know. To me it means that we have a sound and resilient economy as well as a diversified economy whereby we were able to surmount the unparalleled drought in our history, from which there has not been a tremendously significant impact. The retail selling figures have nothing to do with price control. Again it is over my head.

We all know that what has been said about costs of production is correct, and that costs have gone up to, or over or about, the value of the production, depending on the area where the production has taken place. If more superphosphate is applied to an area costs must be

higher than where not so much superphosphate is used. We cannot take the overall cost of production for most of our productive areas, but it can be said that costs are high in relation to the value of production. If I thought that price control were the proper type of economic measure to adopt I might feel differently about recording my vote on this Bill. I regret that costs have got so high that the primary producer has to struggle. He has had a good time, however, in the last 10 or 12 years. Many primary producers have had the best time ever over a long period, better than people in practically any other avocation in Australia. Things have changed, as I see them, and, as Mr. Hookings said, the primary producer is still the backbone of Australia, and thus we must be concerned and alarmed about the level of his costs of production. However, I regret to say that this legislation will have no effect on that matter. If it ever had any effect on costs that time has gone. I have already instanced what happened in Queensland on the removal of price control.

I think I said in the debate last year that the claim that the few shillings saved in the cost of living as the result of the prices legislation paled into insignificance. Today we have an application before the court for a 45s. increase in the basic wage. If any substantial amount is granted in that case, and I will not comment on it further because it is pending, again it makes the prices legislation look silly. We have had this prices legislation in an attempt to keep down the cost of living over a number of years. It started when the basic wage was about £3 16s. a week, but despite the application of the Act the basic wage has risen to the theoretical figure of £14 14s. a week, which makes us wonder what the legislation is all about. Despite the statement that the Prices Act has worked effectively the basic wage has increased about four times what it was at the commencement of the Act. It seems to me to be an unequal sort of struggle.

I will now refer to the extracts I took of speeches of honourable members to see what sort of argument has been laid against price control from time to time. I have these headings (1) dated, (2) economically unsound, (3) unfair, (4), ineffective, (5) impracticable, (6) harmful, (7) hinders development, (8) costly, (9) unnecessary, (10) hinders merchandising and (11) socialistic, and this last one deals with an extract from one of my speeches. In the second category various members have made some points. I think one

of the most telling was one by Mr. Densley last year, when he said:—

Even supporters of the Bill, such as the Premier and the Hon. C. S. Hincks, have said "The Government believes that freedom from control is in the public interest and tends to lower prices than control, provided there are adequate supplies on the market and there is reasonable competition between sellers."

Government members have said from time to time that provided there are adequate supplies and reasonable competition between sellers it is in the public interest to have freedom from control, because it tends to lower prices. Surely these conditions prevail today, but if not, they never will prevail.

On the question of economic unsoundness one honourable member in another place quoted the case of West Germany where all rationing and price control was deliberately abandoned in June, 1948. He spoke of a comment made by a learned writer that the magnificent economic recovery made by West Germany since then was a magnificent example of what competitive free enterprise could achieve. The same, of course, follows in Belgium, because that country flung off price control fetters immediately after the war. When I was in Belgium five years ago it was the most prosperous Belgium I had ever seen in my lifetime and the public attributed the prosperity to the fact that the country had rid itself of artificial controls so quickly.

Under the category of "unfair" one member in another place said that the Bill was a victimization of certain people and the ill effects of price control well outweighed its alleged advantages. The Hon. Sir Frank Perry, in this Chamber last year, said excessive price control on grocery items, together with intense competition from supermarkets and self service stores, had forced many small grocers and corner shops to close their businesses. We all know what has happened to various bakers and so on, and it is a sad thing that small businesses should cease to exist. There is a modern tendency towards giant organizations which can so lessen their costs that small shopkeepers are forced to close their businesses. The small shopkeeper has always been a very important part of any British community. That tendency will not, in the long run, prove to be an advantage to a British community, but I am afraid price control is having the effect of accelerating that tendency.

Under the heading of "ineffective" one honourable member in another place said the best that the whole paraphernalia of price

control could achieve was to follow the basic market forces with varying time lags. That is a very true statement. To continue prices legislation on a few items of trade when the vast bulk are free is unfair, ineffectual and unjust to those harassed by these controls. That was also a statement by the honourable Sir Frank Perry in this Chamber last year, and he went on to say that prices cannot be controlled unless wages and certain sets of conditions are also controlled. That is fundamentally true. In another place it was stated that no form of price control could achieve even its primary objective unless it applied over the whole economy, that is, Australia-wide. The same honourable member, the previous year, said that it was extremely difficult to allow for equality when applying price control. The honourable Mr. Densley last year said that price control dampens initiative and self reliance. He also said it placed a premium on inefficiency. In 1957 I said that when businesses had their profits trimmed by price control they tended to lower the quality of their product, and that is true. If they see their profits slipping they have to take some steps to recapture their position.

Then various statements have been made about the hindrance to industries coming to South Australia, particularly in respect of price controlled lines. References have been made to the cost of the actual administration by the Government of price control and also to the possible considerably greater cost to people who have to employ others in the non-productive job of getting out information for the Prices Commissioner. I wish to deal finally with one or two points about merchandizing. A leading retail organization claims that price control makes no allowance for averaging, which is the standard practice adopted in connection with retailing fashion goods. With maximum margins operating at the beginning of the season the retailer is prevented from averaging the results of his total purchases. That applies to fashions, but not to basic merchandise.

I do not want to go fully into the matter. I have dozens of other quotations of arguments offered against price control, but I have no hope or expectation that I am going to convince anybody to change his vote. I merely once again say I do not believe in price control and I have never believed in it, except as a war-time measure. It is fundamentally opposed to the ordinary principles and ideas of Liberalism which I hope I support. Therefore, once again I intend to vote against the second reading of the Bill.

The Hon. G. O'H. GILES (Southern)—I desire to briefly state my point of view on this important matter. When I spoke at some length last year my whole attitude was that where competition existed I was in favour of competition and the right to trade one against another with what beneficial results may accrue from that sensible type of trading. It seems sensible that if there is adequate competition in any field decontrol is in the best interests of the consumer. Where I do not completely agree with people who may advance a good case in favour of complete decontrol on all lines is obviously in cases where free competition does not apply. That, of course, is very much the problem in considering this type of legislation and the trouble in administering it. It is extremely difficult, at this late stage, to find out whether in fact competition does or does not exist on any particular line. For example, no doubt Cabinet is well aware that people sometimes claim that firms are selling shoes here, there and everywhere, and that therefore there is much competition in that particular line, but if it were decontrolled associations of the people concerned might fix the price for the next 12 months at a mark that the Government would consider exorbitant. Honourable members know that the percentage of profit on certain retail lines in shops in Adelaide exceeds 50 per cent under price control. There is no suggestion that this is wrong because it is obvious that people who trade in the very valuable area in the centre of Adelaide must get a fair profit margin to maintain their financial position.

The Hon. Sir Arthur Rymill, when talking about competition, said that if the position has not been reached today where enough competition exists to abolish price control then probably it will never exist. In many ways he hit the nail on the head. Many important lines affect whatever price index is chosen, whether it be a consumer index or the C series index. Both affect the lives of the people for whom we legislate. I am in some doubt as to whether, in the case of one or two items, we could ever afford complete decontrol. I do not suggest that the retention of the Prices Department is the only way to get at the problem because there are other ways of tackling it, but from the point of view of the ordinary person the position must be watched. I am not one to rant about exploitation of the masses because I believe in true competition and free enterprise where it is fair to all sections of the community.

The Hon. F. J. Potter—Do you think the Prices Commissioner is watching all these things today?

The Hon. G. O'H. GILES—I think he is as far as it is possible for any individual to do so. We cannot avoid anomalies. Last year I said that this legislation was probably the lesser of two evils. The test is whether the ordinary citizen is to be exploited on ordinary lines or whether it is the function of the Government to protect him in some measure. I am caught between two lines of thought as I was on this matter last year. If anyone can convince me that true competition exists in fields that are at present controlled without too much risk of trade associations forming in the background I may be kindly disposed, one of these days, to vote for the decontrol of those items.

The Hon. Sir Arthur Rymill—Are you weakening?

The Hon. G. O'H. GILES—Not in the slightest. I am taking a courageous view of this matter. I have just completed a fortnight of travelling great distances and I was not aware that I would have to talk on this important matter until a moment ago. However, I do wish to make my position clear to members. As long as tariff protection exists in Australia for some secondary industries there is little logic in the argument that price control either penalizes or shelters some sections of the community. If we wish to do away with price control we must do away with all protection for secondary industry. I have been accused of being everything from a member of the Opposition to a protectionist since the Prices Bill was debated last year, but plans must be made for the good of all. If we desire free enterprise let us have it in the future, but if we wish to try to protect some members of the community—and that seems right and proper—then we must not give way on one line and stick to our guns on another.

The Hon. A. J. Shard—How would dairy farmers get on under that reasoning?

The Hon. G. O'H. GILES—If the honourable member can tie dairy farmers in with my argument he is welcome to try. The honourable member is talking of organized marketing. The Hon. Sir Arthur Rymill's assertion that if we do not have adequate competition now we shall never have it is the point in this argument. If anyone can convince me that competition exists in any of the items that have been bandied around in this Council in more than one debate on this Bill I will

lend him my support to decontrol that commodity. I heard the Chief Secretary make an interjection in connection with superphosphate, and that was one of the hinges of my argument last year. Possibly in 12 months it will no longer exist as an argument in favour of price control. Sixty per cent of superphosphate sold in the South-East today is "Pivot", which is manufactured in Geelong, and I say that where competition exists for the good of all the State, I am in favour of the decontrol of the price of superphosphate. I have no axe to grind in that case because when competition exists that is the time to decontrol the price of that commodity.

The Hon. F. J. Potter—You would decontrol any item at all where you were satisfied that competition exists?

The Hon. G. O'H. GILES—You would find me hard to convince in one or two cases.

The Hon. F. J. Potter—If you were satisfied there was competition you would see no reason for price control?

The Hon. G. O'H. GILES—That has been my stand. The last time I spoke on this subject I said I was not to blame, having only been in this Chamber for some months, if price control had been in existence too long. There is no doubt the members with whom I have the honour to sit on this side of the political fence—and I stress the word side—do believe in free enterprise. I want to make that quite plain. I get fed up with being accused of not believing in free enterprise. The Attorney-General dealt particularly well with the matter of freedom and where it does and does not exist in our society today. I will be interested to read the Hon. Mr. Potter's contribution to this debate because I believe there can be other ways of looking at this problem where and if it is necessary. For the next 12 months, as I did last year, I intend to support the Government on price control. I do that because I believe in looking facts in the face as they are today. I do not want to be accused in this Chamber or elsewhere of either not taking a fair attitude for the sake of the people of this State on the one hand, or on the other hand of being a socialist and believing in bureaucratic interference and control so as to fetter the lot of the average man. That is why I shall support the second reading.

The Hon. L. H. DENSLEY (Southern)—Having spoken on this Bill a number of times before, and after hearing the Hon. Sir Arthur

Eymill quote my views in speeches I have made on two or three occasions, I do not feel there is much for me to say this year. I would like to express again my opposition to price control. I regret that each year fewer and fewer members debate this question. Taking into account all the speeches that have been made on this issue, one must reach the conclusion that the whole weight of evidence has been in favour of those who oppose price control. I believe that if there is any single way to do away with competition surely it must be by price control. If the price of a commodity is fixed on the basis of profit what value is there in competition, because immediately you undersell your competitor and make more money, the price is further reduced? I am aware that some arguments relating to superphosphate must have a great appeal to primary producers. The manufacturing companies have not charged more for superphosphate just to rob the primary producer. I am mindful that almost completely at the behest of the Premier the superphosphate companies spent much money on Nairne Pyrites Limited and on the acid works at Port Adelaide. I am sure nobody knows what it cost those companies to carry out that work, especially as their finances and reserves were tied up. The superphosphate companies have done a good job on behalf of primary producers in this State. Acid has become more readily available in spite of warnings from America and other countries that they could not supply it. We support the acid industry in this State by a tariff.

The cost-plus system was introduced during the war and if anything denied competition it was that system. A cost price was fixed for an article which provided a certain amount of profit, and the higher the cost the greater was the return to the maker. Prices are affected by lack of competition and price control has the same effect as did the cost-plus system. We have all heard of what went on in some factories then when people were on duty at night but did very little work. Neither the workmen nor the employers worried about it because the price was fixed on the cost of the article, and prices rose. The best thing that could happen would be to throw people back on their own resources. I regret deeply that we seem to be getting to the stage where people want to be looked after instead of looking after themselves and have become blase, relying on the Government to supply them with what they want. Surely, in a competitive world, that particular system must be really terrible in its economic effect in Australia. I am sorry that we are to have a continuation of price control.

I believe in giving people all the incentive possible to make profits and do things in the best way possible to ensure a reasonably cheap article, and that is the very antithesis of this legislation. Today our newspapers are packed with advertisements, which have to be paid for and are charged in the articles we buy, and this has a greater effect upon costs than any adverse effect resulting from price control. I do not know actually what is spent in advertising, but one can visualize this when one considers what it costs to insert a small advertisement. The costs must be prodigious. I have been told that one store spends more in advertising than it would cost to build up the institution of Liberalism in this country. If that is so, we can consider that it has a bad effect. If the Government believes that price control is so necessary, why does it not make the legislation permanent? Why do we have make-believe and why is another reason for its continuation brought forward when it is known perfectly well that next year still another reason will be submitted why it should continue?

The Hon. Sir Lyell McEwin—You can move an amendment.

The Hon. L. H. DENSLEY—I am sure that if the Minister introduced a Bill to provide for decontrol I would happily vote for it, knowing that it would be to the benefit of the buying public of South Australia. We do not want to run away with the idea that farmers are being robbed by the superphosphate companies. The farmers can protect themselves by buying from their own co-operatives. The Government has helped superphosphate companies by providing a lower rail freight rate to the South-East than is available to other people so that they can compete with the co-operatives. I did not intend to speak on the Bill, but I thought I should express opposition to the system of price control which has developed and refer to the fact that a generation has grown up which knows nothing else. It is a sad thing, and has taken away from them the personal responsibility of looking after themselves. I hope that the Government will either say it is absolutely necessary to have such a measure on the Statute Book to prevent the robbing of the people by those who are selling goods, or do away with the legislation altogether. Actually, I have much faith in those who sell goods. We know that sometimes very high charges are made for fashion articles and that a profit of 40 to 60 per cent is made on many lines, but the stores have to sell their surplus stocks for what they can get for them in order to clear their shelves for other lines.

That is business. Surely, those people know more about these things than most of us.

I congratulate the Hons. Sir Arthur Rymill and Mr. Potter and other honourable members on the manner in which they presented their case. It was very good to hear the Hon. Mr. Giles forthrightly put the case as he sees it. I believe looking at the matter from all angles and knowing what this legislation is doing to South Australia that we shall ultimately realize that the sooner we get rid of it the better. I oppose the Bill.

The Hon. Sir LYELL McEWIN (Chief Secretary)—It has been said that in putting the case for price control there has been repetition, but there has also been repetition by those who opposed the measure. We have heard a great deal about the lack of consistency and political conviction. I do not know whether that was meant to suggest that the Government has none. Only a couple of days ago a question was asked by the Hon. Mr. Potter regarding a business that was operating in this State, and it was suggested that the Government should take action. If the honourable member does not believe in control, let him leave the Government out of that matter. In his speech on the Appropriation Bill the Hon. Mr. Densley referred to people who had paid high prices for their land and expressed the hope that the Government would give them some consideration. How about private enterprise looking after itself and not squealing to the Government when it gets into difficulties? That is my answer to the reference to consistency. Mr. Potter, when referring to the cost of the Prices Department, said that last year it amounted to £60,000. On one line alone, as a result of action by the department, consumers were saved £440,000 a year. In its control of the price of petrol primary producers had benefited to the extent of £1,700,000, industry and commerce £1,600,000, and private motorists £2,200,000. Is there anything wrong with that?

Reference was made to the supply of superphosphate to the South-East. This part of the State enjoys a particular privilege in having competition from over the border, where I think only two firms are operating, and they have certain advantages in having only two plants to operate. In consequence their superphosphate is cheaper than that produced in South Australia, but it cannot be suggested that price control has been hard in any way on the local companies. We recognize their circumstances and price control has not set out

to put the three South Australian firms out of business. We have six superphosphate plants in South Australia and their overhead costs are consequently higher. I suggest that one small local application does not affect the whole picture so far as South Australia is concerned. In fact, the Government has assisted the superphosphate firms by giving them preferential rail freight charges to the South-East. That shows the Government is not hard on firms operating in this State. I know that whatever I say it will not influence the vote one way or the other, but I thank honourable members for the way they have devoted their attention to the Bill.

The Council divided on the second reading:—

Ayes (8).—The Hons. F. J. Condon, G. O'H. Giles, N. L. Jude, Sir Lyell McEwin (teller), C. D. Rowe, A. J. Shard, C. R. Story, and R. R. Wilson.

Noes (3).—The Hons. A. C. Hookings, A. J. Melrose and F. J. Potter (teller).

Pairs.—Ayes—The Hons. W. W. Robinson, E. H. Edmonds, K. E. J. Bardolph, and S. C. Bevan. Noes—The Hons. Jessie M. Cooper, L. H. Densley, Sir Arthur Rymill and Sir Frank Perry.

Majority of 5 for the Ayes.

Bill thus read a second time.

Bill taken through Committee without amendment. Committee's report adopted.

BUSH FIRES BILL.

Adjourned debate on second reading.

(Continued from October 26. Page 1538.)

The Hon. C. R. STORY (Midland)—I am pleased to be associated with this Bill, which is a consolidation of the principal Act and the various amendments to it. Those of us who attend Local Government Association meetings from time to time are constantly being told that the bush fires legislation is too complicated and difficult for people to understand. This consolidation move is a step in the right direction. I hope it will be possible for the measure to be printed in small booklet form for distribution to ratepayers by councils concerned. At present it is difficult to ascertain the various provisions in the bush fires legislation. Perhaps they could be displayed in prominent places throughout the district. The consolidated measure will be easy to understand. The Hon. Mr. Wilson made a valuable contribution to the debate. It was a typical example of horses for courses, because

the honourable member knows much about farming, and he gave us the benefit of his experience. I think that councils could help a great deal by using their earth-moving equipment to level the ground on the sides of roads. In many instances mowers and balers cannot be used there because of the roughness. Councils could help by removing the large stones and levelling the ground. This would enable the mower to be used, to be followed by the baler. Now the grass is burnt off, or in some way destroyed, whereas good use could be made of it.

The Hon. F. J. Condon—When reservoirs are full the excess water goes out to the sea.

The Hon. C. R. STORY—Yes, but not so much in this State, because we are topping up our reservoirs and doing our best to conserve the water that comes down from the hills. The Government is conscious of the water position, and in any case the small quantity of water that runs out to the sea keeps the water in the creeks from becoming stagnant. In legislation of this type it is difficult to deal with people living outside local government areas. More or less, the local policeman is the fire control officer in an outside area, which imposes much work upon him. When police stations are some distance apart it is difficult to make legislative provisions work effectively. I understand that the matter of station properties outside local government areas is to be considered and I hope that the Government will, as it usually does, give every consideration to suggestions put forward by practical people. I have pleasure in supporting the Bill.

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

PREVENTION OF CRUELTY TO ANIMALS ACT AMENDMENT BILL.

Returned from the House of Assembly with the following amendment:

Clause 4—new section 5b, line 6—After "freely" insert "or which is smaller in any dimension than the minimum dimensions prescribed."

Consideration in Committee.

The Hon. Sir LYELL McEWIN (Chief Secretary)—The amendment made in another place relates to the keeping of birds in cages and the explanation which the Parliamentary Draftsman has prepared is that the amendment adds words which make it an offence to keep birds in cages which are smaller than the

sizes prescribed. The clause as originally passed is retained but extra words are added. It was felt that any addition to the wing span test might be insufficient. It should be possible to prescribe proper dimensions, but this will be done by regulation, otherwise we would have a lengthy list in the Act. The Government accepts the amendment, and it can do no harm. I move that the amendment be accepted.

The Hon. L. H. DENSLEY—I do not know whether the fact that the amendment can do no harm justifies this Council including it in the Bill. The position was well catered for when the Bill left the Council and I can see no justification for the amendment. This is one of those pin-pricking things that occur and the Legislative Council would be foolish to

agree to something based on the fact that it won't do any harm. I oppose the amendment.

The Hon. Sir ARTHUR RYMILL—There is much in what the Hon. Mr. Densley said, and I do not believe the amendment will do any harm either. The weakness in the legislation was that the Government did not have any power to make these types of regulations. The Bill empowers the Government to make regulations, although it does not force it to do so. I support the amendment because I do not think it will do any harm.

Amendment agreed to.

ADJOURNMENT.

At 4.33 p.m. the Council adjourned until Tuesday, November 1, at 2.15 p.m.