

## HOUSE OF ASSEMBLY.

Thursday, August 14, 1952.

The DEPUTY SPEAKER (Mr. Dunks) took the Chair at 2 p.m. and read prayers.

### QUESTIONS.

#### THIRD PARTY MOTOR VEHICLE INSURANCE.

Mr. O'HALLORAN—I have asked the Premier several questions about motor vehicle insurance. In the last few days there have been considerable comments in the press about this matter, and an article in today's *Advertiser* states:—

Insurance companies were greatly concerned by "don't care, discourteous" driving of a minority of South Australian motorists, which was "making it almost impossible" to show a profit on motor vehicle business, a leading Adelaide insurance authority said yesterday. An increase of 15 per cent in premiums about a year ago had been absorbed by a further steep rise in both the number and severity of accident claims. Ninety-nine per cent of insurance companies in South Australia were not seeking additional motor vehicle insurance business. During the past 12 months, two companies, not affiliated with the South Australian Fire and Accident Underwriters' Association had withdrawn from the pool, which accepted compulsory third party insurance. "Companies report that many careless South Australian drivers lodge up to between three and five claims for accident damages in a year," he said. "One has lodged five claims, ranging from about £40 to £100 each in five months," he added.

The two points I am concerned about are that 99 per cent of insurance companies in South Australia are not seeking additional motor vehicle insurance business, and that some companies have withdrawn from the pool. That seems to bear out the information I received prior to asking my first question of the Premier. I should be pleased if he would make further inquiries and ascertain the present position.

The Hon. T. PLAYFORD—Since the honourable member asked his question a case came under my personal notice where in my own electorate an insurance company had refused to effect a further insurance. I took that up with the association which was my previous avenue of information; in fact, I read a letter from it to the House in answer to the honourable member's question. The president of the association informed me that the company that had refused to do the business in my electorate was not a member of his organization, but was associated with

the Victorian Chamber of Commerce, but that the position as regards other associated companies was still as stated in his letter. I have now sent that on to the Registrar of Motor Vehicles asking for a complete investigation and I will allow the honourable member or any other to see the report when it comes to hand. I may add that the difficulty referred to in my own district was immediately rectified by one of the associated companies in South Australia.

#### AMENITIES AT GLENELG.

Mr. PATTINSON—At the beginning of this week I read with great interest reports in the newspapers of the Premier's week-end tour of the South-East, and in particular of the magnificent offer of the mayor of Mount Gambier of a loan of £1,000,000 towards the provision of local amenities and of the Premier's ready, but I thought somewhat cautious, promise to dispatch the necessary materials to Mount Gambier on receipt of the cash. I have just read with even greater interest a letter on a similar subject published in today's issue of the *Glenelg Guardian*, which is a local newspaper with a national outlook. The becoming modesty for which all politicians are noted precludes my reading the first portion of this letter because it refers in terms of praise to my persistent, but so far unsuccessful, endeavours to obtain the provision of any waterfront amenities for Glenelg. However, it suggests that I might devote my untiring efforts towards raising a local loan to assist our financially embarrassed Premier to have the Patawalonga reclaimed and beautified and to provide a jetty and a haven for fishing craft and sailing boats at Glenelg. As the Premier knows, most of my constituents are merely fellow-workers like himself and myself, and our contributions to the proposed loan would, of necessity, be like the widow's mite compared with the contributions from the wealthy landed gentry of the South-East. I am confident, however, that a goodly sum could be raised, if only to inspire the Government with a sense of its responsibility to the birthplace of the State. It is not suggested that if the proposed loan were raised the Premier should dispatch materials by the next train because we were deprived of our steam train about 20 years ago on the promise by the Government of the day to substitute for it a modern electric service, a promise which has never been fulfilled. If the proposed loan is raised is the Premier prepared to use it towards establishing all those very necessary amenities at Glenelg and, secondly, if and when the

amenities are established, is he prepared to raise Glenelg to the status of a city in keeping with its history and traditions as the birth-place and principal watering place of the State?

The Hon. T. PLAYFORD—There appears to be some doubt about the basis upon which the honourable member has raised his question. He has been quoting from an influential newspaper circulating in his district, but I have just had handed to me today's copy of the *Border Watch*, an influential newspaper circulating in the Mount Gambier district. It reports a statement by the mayor of Mount Gambier that the imagination of the city press seemed to have run wild. The sum total of the statement appears to be that the £1,000,000 is not immediately forthcoming and apparently there is considerable doubt whether it was ever proposed to be forthcoming. For some time the Loan Council has had the belief that loans arranged in Australia had been raised upon a basis unattractive to the investor. In future it is proposed that all publicity will be directed to the fact that it is by the people's subscribing to Government loans that they can get the local utilities which are so badly needed. Quite frankly, the publicity for future Loan Council loans will be based on the fact that schools, hospitals and other amenities of the description mentioned by the honourable member are contingent upon the necessary support by the public of loans for their fulfilment. I appreciate the honourable member's question because I believe the publicity for our loans in the past has been on far too wide a basis. One other matter I think the honourable member overlooked in his enthusiasm for the cause of his district is that before any expenditure can be undertaken by the Government, however the money is raised, it has to be in accordance with a recommendation of the Public Works Committee. Subject to that, I give all honourable members the assurance that any additional moneys that can be raised will be faithfully applied in trying to provide amenities and services throughout the State.

#### REMOVAL OF PRISONERS TO GLADSTONE GAOL.

Mr. HUTCHENS—Public concern has been caused by the statement that certain prisoners are to be transferred from the Yatala Labour Prison and possibly other prisons in the metropolitan area to the Gladstone Gaol. Is this the Government's intention and, if so, what class of prisoners will be transferred, when will the

transfer take place, and will the Premier give an assurance that all precautions necessary for the safety of the public will be taken?

The Hon. T. PLAYFORD—Some time ago the Government approved of the recommendation that the Gladstone Gaol, which has not been needed for some years, should be reopened. As until then prisoners could be accommodated in other gaols, on the grounds of economy it had not been necessary to keep the Gladstone Gaol occupied but the buildings there are fundamentally sound and were constructed for gaol purposes. When the accommodation in the principal gaols in the city became overtaxed the Government decided to reopen Gladstone Gaol. The Architect-in-Chief, or one of his senior officers, and the Sheriff visited the gaol and steps to modernize it were recommended. I understand the recommendation has been prepared and forwarded to the Government for approval, but I have not yet seen it. I can give the honourable member and the public the assurance that adequate precautions will be taken to see that the public are in no way jeopardized. I cannot tell the honourable member when the change will take place.

#### EGG PRICES ON EYRE PENINSULA.

Mr. CHRISTIAN—An egg producer at Wudinna in my district complains that he received a net price of only 2s. 7½d. a dozen for 15 doz. eggs recently marketed. This seems to be completely out of line with the retail price ruling in the metropolitan area. Could the Minister of Agriculture have the matter investigated to ascertain whether the price mentioned is reasonable, having regard to the price obtaining in Adelaide?

The Hon. Sir GEORGE JENKINS—If the honourable member will hand me the letter I will pass it on to the chairman of the Egg Board so that he can investigate the position and bring down a reply.

#### CEMENT PRICES.

Mr. FRANK WALSH—Will the Premier indicate what constitutes "imported" cement? Is it cement imported from other Australian States and from overseas? Is it a fact that most of that cement is sold here at not less than 24s. a bag, whilst there seems to be some locally made cement exported to the other States? Is there any legal provision to prevent locally made cement, which is now in short supply, from going to the other States, whatever the reason, whilst people here are compelled to pay not less than 24s. a bag for interstate or overseas cement?

The Hon. T. PLAYFORD—"Imported" cement is held to be any cement manufactured outside South Australia. We have two manufacturing firms in this State and what they produce is regarded as locally made cement. Cement from other States or from overseas, or from overseas in the form of clinker to be ground here, is regarded as "imported" cement. Section 92 of the Commonwealth Constitution says that there shall be no restriction upon trade between the States, and as far as I know the High Court still regards it as valid.

Mr. FRANK WALSH—Is the Premier in a position to state whether local cement is being sent to other States, although we have a shortage of production in this State, and, if so, will he consider asking the Government representatives on the cement company which was financially assisted by the Government to concentrate on holding a reserve in this State for emergencies?

The Hon. T. PLAYFORD—The honourable member's question conveys the first suggestion I have heard that cement produced in this State is being sold in other States. In fact, at present other States are supplying a fairly large quantity of cement to this State.

Mr. Stephens—A racket is being carried on.

The Hon. T. PLAYFORD—Irrespective of where the cement comes from, it is subject to price control and no additional profit is provided for the person who handles it. The same position applies in all the other States, as cement is subject to price control throughout Australia; so, when the honourable member for Port Adelaide uses the term "racket" I do not know what he means. It has been the practice of this State, for example, over a period of years to supply cement to Broken Hill, which is over the border, and, prior to the war, Victoria supplied the whole of the requirements of the South-East. Since the war the South-East has at times experienced difficulty in obtaining its full requirements from Victoria, but that State has always made a big contribution towards supplies in the South-East. Many important markets for commodities produced in South Australia are in other States, and I believe that one of the most important sections in the Australian Constitution, from South Australia's point of view, is that which provides for freedom of trade between States. The fact that supplies of a commodity are going over the border of a particular State is something that has always been visualized as inherent in a Commonwealth or Federation. We might as well say it is a

racket to sell in New South Wales motor bodies produced in this State, but in fact that practice is very advantageous to this State and provides great employment in many of our secondary industries. I will inquire into the circumstances surrounding the shipment of cement to other States, and, if it is done for the purpose of evading price control, I will see that appropriate action is taken to ensure that no large margin of profit is made. When the two South Australian plants are in full production it will be necessary to export some cement, for they will produce more than can be used in this State.

#### HOUSING AT STOCKWELL.

Mr. TEUSNER—Following on my question of August 5, has the Premier obtained a report from the Housing Trust about the building of houses in Stockwell to meet the requirements of the town?

The Hon. T. PLAYFORD—I have received the following report from the chairman of the Housing Trust:—

An officer of the South Australian Housing Trust will, during the next few weeks, visit Stockwell in order to ascertain the housing position in that town. The trust considers it uneconomical to administer a small number of houses for letting purposes in a town, but if the inquiries to be made disclose that there would be purchasers for a small number of sale houses (whether to be purchased by employees, or employers for the housing of employees), the trust would endeavour to carry out a building programme in the town.

#### ROAD HAULIERS.

Mr. MACGILLIVRAY—When the Loan Estimates were before the House last night I tried to draw the Government's attention to the parlous position in which road hauliers were finding themselves because of various Government restrictions. In today's *Advertiser* an article headed "Road Hauliers 'Forced out of Business,'" states:—

Present "disastrous conditions" in interstate road transport had forced a number of small operators out of business, and one South Australian operator had been declared bankrupt, the secretary of the South Australian Road Transport Association (Mr. D. L. Fallon) said yesterday. The conditions had been caused partly by a general recession of trade and partly by present methods of interstate road transport control, he said. Operators who had bought semi-trailers costing from £5,000 to £7,000 faced heavy commitments in repaying up to about £300 a month on the cost of the vehicles, as well as insurance, maintenance, registration and running expenses.

Following on the report and statements I made last night will the Premier inquire into the

whole question of transport to see that hauliers get a reasonable chance of fulfilling a great need of the community by providing a link in transport which is often not filled by the railways or shipping companies?

The Hon. T. PLAYFORD—As regards interstate traffic, the grave dislocation which was caused by shipping has been materially ironed out. Only this week I received information to the effect that for the first time for four years all steel allocated to this State will be shipped from Newcastle and Port Kembla. Interstate transport traffic, both by ship and rail, is more readily available, and there is greater ease in getting cargoes lifted than at any time since the war. Road transport charges are much higher than by rail or ship. I think that the article mentioned by the honourable member is well based, particularly where it refers to economic conditions. The turn-round of shipping is much better and the congestion in Australian ports has almost entirely ceased. As regards rail traffic, the carrying capacity of all railways has increased enormously and through traffic is moving much more quickly and smoothly. As regards road transport, this comes under the control of the Transport Control Board, appointed by Act of Parliament, and is outside the Government's scope.

Mr. Macgillivray—It is the State's biggest handicap.

The Hon. T. PLAYFORD—Its members are not Government employees or associated with Government departments. Quite apart from that, and in answer to the latter part of the honourable member's question, a report of a Royal Commission consisting of enterprising and independent persons, and appointed at the request of this House to go into the question of road and rail transport, was recently tabled. If the Transport Control Board considered transport by road to be necessary a permit would be granted at a nominal fee. There are no heavy imposts, such as apply in other States, upon road transport here. We believe that whatever method is used in connection with the co-ordination of these services it should not be effected by penal taxation, which only raises the consumer's costs in every case. I will examine the article the honourable member mentioned and will also ascertain what alterations, if any, have taken place in the administration of the Transport Control Board in recent weeks and let the honourable member have a reply.

#### POORAKA TO GAWLER ROAD.

Mr. JOHN CLARK—Can the Minister of Works say whether land has been acquired on the Main North Road from Pooraka to Gawler to provide separate up and down roads similar to the Anzac Highway?

The Hon. M. McINTOSH—Yes. In anticipation of the necessity at a future date of providing such a road land has been acquired over the years. The land has been acquired sometimes on one side of the road and sometimes on the other. First things must come first, and we have the land but we cannot divert manpower and materials to the making of that road until more important projects have been completed.

#### SALT CREEK CROSSING.

Mr. CHRISTIAN—In this morning's *Advertiser* there is an article headed "Nearly Drowned on Flooded Road," and the first paragraph reads:—

At Salt Creek crossing, near Mangalo, Mr. Roy Hanaman was nearly drowned when he fell into 8ft. of water while trying to tow the stalled school bus from Cleve to Mangalo across.

Some time ago I conferred with the Franklin Harbour District Council about this dangerous crossing and also discussed it with the Commissioner of Highways. The council was under the impression that work on a bridge at this crossing had been approved, but I find that no such approval has been given and no definite plans have been formulated. Will the Minister of Works take this matter up with the Highways Department with a view of having plans formulated to provide a safe crossing for school children and others in this area?

The Hon. M. McINTOSH—I will be glad to do that and obtain a report. The honourable member will understand that exceptional circumstances must arise from time to time under abnormal conditions.

#### PUBLIC SERVICE RECLASSIFICATION.

Mr. O'HALLORAN—I understand that about February last the South Australian Public Service Association submitted to the Public Service Board a claim for a revision of public servants' salaries. Can the Premier say whether that claim has been investigated by the board, and when it is likely to be finalized?

The Hon. T. PLAYFORD—I cannot answer the honourable member's question. This morning I received a notification from the Teachers' Salaries Board that it had completed a consideration of some claims that had been made

by the South Australian Public Teachers Union and had granted certain increases, but I have had no similar communication from the Public Service Board. Under legislation governing the fixation of public servants' salaries it is competent for any individual or association to make a request at any time for an adjustment. The Statute does not even stipulate that a certain period must elapse between one application and the next and I think it is true that there is scarcely ever a time when some applications are not before the board, because as soon as a determination is made any individual affected can appeal against the salary fixed for him.

Mr. O'Halloran—I am referring to a general application for a revision of salaries.

The Hon. T. PLAYFORD—I am not in a position to answer that question, but I will secure the information for the honourable member.

#### CONTROL OF TRAMWAYS TRUST.

Mr. MOIR—The Premier has put before councils three proposals for the future control of the Municipal Tramways Trust. Can he inform the House whether, if the councils agree to his third proposal to allow the Government to take over the trust entirely, it will relieve them of rating to make up any deficiency and would they be subject to a general tax like other public utilities?

The Hon. T. PLAYFORD—When I first met the representatives of councils I put before them three general propositions on the basis that the undertaking belonged to the councils and that the Government did not desire in any way to force any views upon them. The three proposals were.—(a) that the councils maintain the present position which was what they wished when the original Bill was first introduced and the tramways brought in operation; (b) that the Government assist the councils to re-habilitate the tramways, but some other form of board be established so as to give, if possible, a more definite and efficient type of control; and (c) that the councils renounce all rights over transport, in which case a Government board would be established to control it. It seems that the councils desire to have all of the advantages of the third proposition without any of the obligations of renouncing their present control over transportation and other traffic. I suggest that while negotiations are proceeding we do not make this a controversial issue, in the hope that we shall get some wise and just solution of this matter which can be brought before the House in due course.

Mr. MOIR—Would the councils be rated or taxed like other utilities under the third proposal?

The Hon. T. PLAYFORD—I am unable to inform the honourable member which of the proposals will ultimately be adopted, or what will be the features of any of the proposals, as no agreement has yet been reached. The matter is now subject to negotiation, and if it ever reaches finality and any change of law is involved it will of course have to be placed before Parliament for approval. Under proposal No. 3 the new authority would have the same responsibility for rating as is at present enjoyed by councils. It would have the obligation to maintain services and control traffic and ultimately be responsible for raising the taxation necessary if any undue loss were incurred.

#### BARMERA WINERY.

Mr. MACGILLIVRAY—Recently I asked a series of questions dealing with leasehold land held either in the Barmera township or in an extension of it by a certain winery. I desired to know whether or not it was the intention of the winery to build on this leasehold. The Minister of Irrigation said that the department had no knowledge of the intentions of the company. I felt it was the duty of the department to know because I have always understood that when a leasehold was granted in irrigation areas the applicant had to state what it was wanted for and that if after 12 months the firm had not carried out its agreement, the department had to decide whether the lease could continue. The Premier, as Minister in charge of building materials, told me that there would be no difficulty in the supply of materials to prevent the establishment of the winery. Has the Minister of Irrigation any further information to give me on this matter?

The Hon. C. S. HINCKS—The honourable member has asked several questions on this matter during the past few years and the reply I gave yesterday was entirely correct, but I did not reply to one portion of his question. He asked:—

Is it not the department's duty to know the intentions of this or any other individual or company having a leasehold in an irrigation area so that the land shall be put to the use for which the lease was granted?

Actually, we had information to the effect that it was the intention of this firm to eventually erect a distillery in the locality and for that reason a lease was granted, but there is nothing in it to compel the firm to erect a building.

Mr. MACGILLIVRAY—I understood the Minister to say that at no time was the erection of a distillery on the lease mentioned, but I think the Minister has been badly misinformed, if not actually misled by the officers who supplied that information. I now desire to ask him whether he will ascertain from the Premier whether it is not a fact that, as member for the district, I introduced a representative of the company to the Premier and whether the Premier, in the course of discussion, asked what works would be put there and if materials were available—this being during the war years. The representative of the company said that it had a distillery in another part of the State which it was prepared to transfer to the lease at Barmera then being sought, and because of that statement the Premier promised to support the request, and the then Minister of Lands, now Attorney-General, eventually granted the lease. If that is not sufficient evidence for the Minister will he go further into the question to see whether it is a fact that the responsible department took a gang of men off essential work at a time when labour was very scarce, and put it on to provide a water supply for this proposed distillery. I take it that unless there was some promise, direct or implied, no Government department, in the middle of a war, would take men from essential work to provide this water supply unless that promise had been given.

The Hon. C. S. HINCKS—Yes.

#### STABILIZATION OF COMMONWEALTH BONDS.

Mr. RICHES—The returned soldiers' sub-branch at Port Augusta was persuaded to invest the whole of its funds in a Government loan pending the time when it would be able to erect a war memorial building. This year the sub-branch was able to make a start on the building, but the value of the bonds had decreased to such an extent that support of the Commonwealth loans cost the sub-branch over £1,000 and precluded all opportunity of erecting the building free of debt. Will the Treasurer take up with the Loan Council the question of stabilizing the value of Commonwealth bonds and is there any means of recouping the sub-branch for the heavy loss incurred?

The Hon. T. PLAYFORD—On two or three occasions the Loan Council has discussed whether it is possible to stabilize the value of bonds, but short of not making them a marketable commodity, which the investing public

undoubtedly do not desire, no practical solution has been found. On many occasions in recent years bonds have been sold at well over par, and in those instances I did not hear of any applications to refund the profit. I regret, incidentally, that the Port Augusta sub-branch has made this loss on its investment. I do not know of any means to obtain a recoup. Commonwealth loans are a readily saleable security. Their value fluctuates from day to day, but the terms of issue have been scrupulously observed by the Commonwealth, namely, that the bond at the time of redemption is repaid in full. Investors have the alternative of taking a short-dated loan, which carries a lower rate of interest but with the advantage that the money is repaid in full earlier, or a long term investment at a higher rate of interest, but with the risk that the market value at the time they want to sell may have fallen.

Mr. Geoffrey Clarke—Actually they contract to lend their money for the whole period.

The Hon. T. PLAYFORD—That is so and when that period has expired the full amount is scrupulously returned to them.

#### WHEAT SHIPMENTS.

Mr. HEASLIP—In recent weeks wheat from north of Gladstone has been coming to that town and there transhipped to broad-gauge railway trucks. Hitherto this wheat has been taken by narrow gauge railway to Port Pirie and direct on to ships. This extra handling involves more costs which have to be met by the producer and eventually the consumer. Will the Minister of Agriculture ascertain why this practice has been adopted?

The Hon. Sir GEORGE JENKINS—All shipments of wheat are handled by the Australian Wheat Board and it is possible that a ship was loading at Wallaroo or some other place on the broad gauge railway system. However, I will obtain a report from the Board and bring it down.

#### ALLIGATOR GORGE TOURIST RESORT.

Mr. RICHES—The Premier has shown some interest in the establishment of Alligator Gorge as a tourist resort. A road was opened up to the Wilmington end of the Gorge and many thousands of people have availed themselves of the opportunity to visit what I believe to be one of the choicest scenic spots in the State. However parts of that road have been allowed to fall into disrepair and it is almost impossible for the ordinary motorist to get into the gorge. It has been used extensively by wood carters who have cut

most of the tall timber on the surrounding area and transported it to Wirrabara, I believe for home building purposes. The beauty spot has been desecrated and no action seems to have been taken despite repeated requests that the area should be proclaimed a flora and fauna reserve. Will the Premier arrange for an officer of the Tourist Bureau to be sent there with a view to negotiations, if they are still necessary, to secure the land over which the road has been built, and for the purpose of re-opening that area to the general public?

It was hoped that on the occasion of the Parliamentary visit to Leigh Creek an opportunity would be found for the Tourist Bureau to take members of Parliament to view this beauty spot at first hand, and I do not know whether it is too late to arrange that now.

The Hon. T. PLAYFORD—Negotiations were entered into in connection with this area for a fairly substantial acreage to be protected for tourist purposes. I believe those negotiations have been completed and an agreement signed by all the parties concerned, and that the Government has made the cash contribution necessary to bring this into operation. However, I will check up on that. The powers of the Government to acquire property are very limited and can be exercised only in cases of fairly grave emergency because of the cost involved in compulsory acquisition.

Mr. Riches—I do not think compulsory acquisition would be needed.

The Hon. T. PLAYFORD—The honourable member used the term “acquired” and in my experience the process of compulsory acquisition has always proved very expensive. I would be very concerned if roads we built at considerable cost in the district were not maintained, and I will see what steps can be taken to get an arrangement with the local council.

#### LAMB PRICES.

Mr. HUTCHENS—An article in the *Advertiser* on Tuesday indicated that, despite an increase of 17.7 per cent in the price of export lambs, producers are expecting a decrease in their returns because of the decline in the price of skins. Interested persons inform me that this increase of 17.7 per cent will amount to between 8s. and 10s. a carcass, and it is expected that the decrease in the price of skins will not exceed 2s. a pelt. Would there be any reason, other than a possible increase in handling charges by brokers for delivery, to cause the expected decrease in producers' returns?

The Hon. Sir GEORGE JENKINS—I understand that the Meat Board also has under consideration the price of mutton and I am expecting a statement from the Federal Minister for Commerce and Agriculture in a day or two as to what the new price will be. The forecast that producers will get less is, of course, dependent upon the price they actually receive for their skins and also upon the handling charges. If the cost of handling a product goes up, that of course is added to the other charges. I have not investigated the position closely, but I expect that the net return to producers will be better than that received last year.

#### RENMARK IRRIGATION TRUST ACT AMENDMENT BILL.

The Hon. C. S. HINCKS (Minister of Lands) moved—

That the Deputy Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend the Renmark Irrigation Trust Act, 1936-1950.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

#### PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from August 13. Page 396.)

Mr. O'HALLORAN (Leader of the Opposition)—Usually the main discussion associated with the approval of the Loan Estimates and the passing of the Loan Bill takes place during the debate on the Loan Estimates and the Loan Bill is passed without much discussion, but last night I obtained the adjournment of the debate because a new feature had been introduced which I thought should be examined by members before the measure was passed. In the main, the Bill is in the usual form, and provides for the raising of £27,019,000 of new loan money. With the estimated repayments of £2,000,000 there will be a total of £29,019,000. The new feature relates to the possible raising and expenditure of further sums of money, and it must be introduced to overcome a difficulty caused by the money not being available in one amount, but being spread over twelve regular monthly instalments. As explained by the Treasurer, the

Loan Council approved a total loan programme of £247,500,000, but the Commonwealth Government was firmly of the opinion that the amount could not be raised from available sources. I understand from information in the press that the Commonwealth has agreed to accept responsibility for a total States' loan programme of £180,000,000. It is expected that only £50,000,000 will come from a public loan, and the Commonwealth has agreed to make available from various sources the balance of £130,000,000. According to a statement by the Commonwealth Treasurer in his recent Budget speech, it is expected that the £130,000,000 will become available primarily through the use of Central Bank credit. This raises some important aspects. We should be told the rate of interest to be charged by the Commonwealth on the money raised in this way. Will it be the standard rate of interest on public borrowing, 3½ per cent, or will it be a higher or lower rate? What circumstances will have to arise before the additional amounts provided for in clause 9 will become available? Does the £180,000,000 have to be provided before the additional sum of £67,500,000 will become available to the States?

The Hon. T. Playford—The Commonwealth has definitely promised to put £133,000,000 into the loan programme.

Mr. O'HALLORAN—If the market provides more than the money needed will the difference be distributed to the States on a *pro rata* basis?

The Hon. T. Playford—Yes.

Mr. O'HALLORAN—That clears up the point satisfactorily. Clauses 9 and 10 confer a great power upon our Treasurer. They both say, "The amount to be allocated out of any sum so issued to each loan undertaking shall be determined by the Treasurer." In effect, we have been doing this for years. Although I have objected to it on a number of occasions there is something to commend it. It is something which should be permitted but used with great discretion. If the additional money becomes available, and it is my fervent wish that it will, I hope it will be spent on works which will provide the greatest amount of employment, because I believe that this year we will have a considerable measure of unemployment. If the Government can do anything to reduce unemployment it will be of benefit to the State, and particularly to people who may become unemployed. With those observations I support the second reading.

Mr. MACGILLIVRAY (Chaffey)—Some doubt exists in the minds of people about interest rates on Government loans. I understand that certain individuals in Canberra consider that they should be materially increased. I believe that our Treasurer has publicly stated that it will be detrimental, not only to the State, but the Commonwealth as a whole, if they become higher. The Bill empowers the Treasurer to borrow, but I want to know what is the Government's policy on loans? Is there any likelihood that the policy advocated in Canberra will be put into effect and that money will become dearer?

The Hon. T. PLAYFORD (Premier and Treasurer)—I assure the Leader of the Opposition that in the event of additional loan money becoming available the utmost care will be taken to see that it is usefully applied, and will provide as much work as possible. The Leader of the Opposition's assumption that the provisions in the Bill relating to the Treasurer's discretion under the Public Finance Act have been exercised for years is correct. The programmes submitted to Parliament have, as far as humanly possible, been carried out, although on occasions we have had to make diversions because of materials shortages.

In reply to Mr. Macgillivray, before any loan is raised Loan Council approval has to be obtained. Under the Financial Agreement, which is part of the Constitution, the unanimous decision of the Loan Council is not required; merely a majority decision. In every instance the States and the Commonwealth endeavour to reach agreement. I have never known an occasion where the Commonwealth has stood fast in an effort to impose its point of view on the States, or *vice versa*. All States are concerned for the success of the loans, and about semi-governmental loans being issued at higher interest rates than Government loans. That must have some bearing, ultimately, on the ruling rates of official loans. It is my firm belief that it is undesirable that a young country, requiring enormous sums for developmental purposes, should raise loans bearing high interest rates. That is detrimental to primary as well as to secondary industries and home purchasers and is a big drawback to the economy of the country. I support the principle of the cheapest possible interest rates that will ensure our obtaining a reasonable sum.

Bill read a second time and taken through its remaining stages.

MINISTER OF AGRICULTURE  
INCORPORATION BILL.

Adjourned debate on second reading.

(Continued from August 13. Page 397.)

Mr. MACGILLIVRAY (Chaffey)—Members should always be interested in any Bill which is designed to alter a state of affairs which has existed for over a century. I thought the least I could do was to examine the position and I studied Halsbury's "Laws of England" and a few other documents, but I must admit that I am not much clearer because they referred to "incorporate in the aggregate," "body corporate," and many other technical terms. This Bill calls for some explanation from legal members in this Chamber.

Mr. Pattinson—The simple explanation is that the Minister will no longer have a body to be burned or a soul to be damned.

Mr. MACGILLIVRAY—If the Bill's intention is to save the Minister from criticism we should refuse to support it, but I do not think that is the position. The Minister of Lands and the Minister of Works are already corporate bodies and according to Halsbury's "Laws of England" a number of Ministers of the Crown in the House of Commons are bodies corporate. Subclause (1) of clause 2 reads:—

The Minister of Agriculture and his successors in office are hereby constituted a body corporate under the name of "The Minister of Agriculture" and shall have perpetual succession and a common seal and by that name shall be capable of suing and being sued and of being a party to arbitration and of purchasing, holding, and alienating land and of doing and suffering all such other acts and things as bodies corporate may by law do and suffer.

Provisions apply now whereby the Minister can sue and be sued, can purchase, hold and alienate land and all the wonderful verbiage of this clause could be condensed to read that the lands and property he holds will not be held in his person as Minister of Agriculture but will be held by him as a body corporate. If there is a change in the person of the Minister the body corporate would continue to operate. The Leader of the Opposition supported the Bill because he said he thought it would assist during the changeover from a Liberal to a Labor Minister of Agriculture. I do not know whether that was said facetiously or not.

Mr. O'Halloran—I was never more serious.

Mr. MACGILLIVRAY—I thought it was said facetiously but before he concluded his speech I was doubtful. He used the words "If it were done when 'tis done, then 'twere well, it were done quickly." I wondered where I had read those words and then recalled

that they were used in the assassination scene from Macbeth. I had doubts when the Leader quoted something linked with assassination in referring to the Minister of Agriculture.

Mr. O'Halloran—I was using that quote only in a political sense.

Mr. MACGILLIVRAY—I realize that but I should think it would give Government supporters food for thought when the Leader of the Opposition envisages the political assassination, if not murder, of the Minister of Agriculture. In his introductory speech the Minister said that the immediate need for this Bill was that he intended to acquire land in the newly settled area of Loxton for the purpose of establishing what will be, in effect, an experimental farm. An experimental farm of long standing already exists at Berri and, if I assess the feelings of fruit growers on the Murray correctly, they do not derive much pleasure in the thought that it is to be abolished. If the Government intends to acquire land at Loxton for an experimental farm there will not be room for two such farms; that is a common-sense interpretation of the position. What is the Government's intention concerning the existing Berri experimental farm? There is a very responsible and reputable body of settlers on the Murray who feel that the Berri Experimental Farm would be suitable for the establishment of an agricultural college.

The Hon. Sir George Jenkins—On a point of order, Mr. Deputy Speaker, I ask what reference has the honourable's remarks to the Bill.

The DEPUTY SPEAKER—I have not closely examined the Bill but I suggest that the honourable member for Chaffey is getting a little away from it and that he confine his remarks as far as possible to it.

Mr. MACGILLIVRAY—Probably the Minister has forgotten the argument which he advanced in introducing the Bill and on which my remarks were based. He said:—

The immediate need for the Bill arises from the fact that the Minister of Agriculture wishes to obtain land at Loxton for use as a horticultural and viticultural research station.

The Minister was not in his place when I began to speak and he did not hear my earlier remarks on this subject.

The Hon. Sir George Jenkins—I presume the honourable member has never been absent from his place.

Mr. MACGILLIVRAY—I do not say that.

The Hon. Sir George Jenkins—Then the honourable member should not make insinuations about Ministers being out of their places, for such remarks are in very poor taste.

Mr. MACGILLIVRAY—Surely I may take exception to the fact that, as soon as the Minister came in during my speech, he took a point of order on an aspect of which he knew nothing. If the Experimental Station at Loxton is proceeded with what will happen to the Experimental Farm at Berri? Will the Minister tell me in his reply? Bills should not be automatically passed without time for consideration. It is usually easier to pass a Bill than to amend it later. I hope that the Minister, in closing this debate, will inform members on this matter, for the taxpayers of South Australia in particular, and those of the Commonwealth in general, must pay for these projects, and it is our duty, as members of Parliament, to see that as far as is humanly possible their money is well spent. I support the second reading.

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

#### PRICES ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from August 7. Page 327.)

Mr. O'HALLORAN (Leader of the Opposition)—This Bill deals with two matters—the relinquishing by the State to the Federal Government of control over the price of butter, and the continuation, subject to that amendment, of the present prices legislation for another 12 months. I ask members to accept the Bill despite the unsatisfactory results that have accrued from State control of prices in South Australia. The results in South Australia have been as bad as or even a little worse than those in any other State, and they have been bad throughout Australia because of the inherent weaknesses of the system, an example of which was given only this afternoon in the question of the honourable member from Goodwood regarding the importation of cement into and its export from South Australia. That, of course, is the main cause of the failure of price control by the States. I am cognizant of the fact that we have State price control, because when the matter of control was submitted to the people in the form of a proposal to alter the Federal Constitution in 1948 the majority voted against Commonwealth control. The people were misled on that occasion and were exhorted to place too much faith in the protagonists of State price control, including our Premier, who promised that an effective method would be established. If we get these things in proper perspective it

will help us to avoid the danger of being stampeded by propaganda into doing something against the real interests of the people.

What has occurred since Federal control of prices has ceased? From September, 1939, to June, 1948, when Federal control ceased, the living wage increased from £3 17s. a week to £5 11s. The living wage, subject as it is to automatic quarterly adjustments by the Arbitration Court based upon the "C" series figures supplied by the Commonwealth Statistician, is an effective test of the rise or fall in the cost of living. The rise in the basic wage to which I have just referred represents an increase of 44 per cent, or an average of five per cent per annum. During the difficult days of the war, with shortages of manpower and materials, and with all the production difficulties associated therewith, prices were kept down to a low annual rate of increase, but from June, 1948, to August, 1952, after Federal price control ceased, the living wage increased from £5 11s. a week to £11 4s., an increase of about 100 per cent, or an average increase of 26 per cent per annum. Those figures abundantly prove the charge I made in opening that State price control generally in Australia has largely been a failure. I think it has been a particular failure in South Australia because my figures relate to the basic wage adjustments for South Australia only. The Premier, in his second reading speech, said:—

The Government believes that freedom from control is in the public interest and leads to lower prices than control, provided that adequate supplies of goods are on the market and that there is no trade arrangement designed to defeat competition.

I think we all agree that adequate supplies of goods are necessary as a prelude to the relaxation of price control, otherwise fortunate people with the wherewithal will get the goods because they will be prepared to pay any price for them, whereas those not so fortunate will not get any goods. However, I am convinced that much of the shortage of goods, particularly in South Australia, could have been avoided by effective Government action, particularly by the Federal Government during the period since the war, and especially during the last two years. Even the State Government might have contributed something in this regard if it had been as desirous of increasing the supply of goods as it claims, because in this State new industries which were not really essential were encouraged to become established. This has had a detrimental effect on the production of essential commodities.

Every pound invested in establishing that type of industry, every man employed in it, and every piece of material used has some effect upon the supply of essential commodities, but it is to the Premier's second point that I desire to draw particular attention. He went on:—

“There are also trade agreements affecting the price of important commodities.”

If so, we should have permanent legislation to deal with that type of agreement. I believe it is within the power of this Parliament to pass such legislation. It can be inferred from the Premier's statement that these trade agreements are for the purpose of exploiting the public. His Party has a majority in both Houses, so he has the power to pass any legislation he desires in order to deal with people who are parties to a trade agreement.

I understand that the relinquishing of the power to fix the price of butter by the States is the result of an agreement between the States and Commonwealth Governments to facilitate a scheme to stabilize the price in Australia for the benefit of the dairy farmers. One or two pertinent points associated with this proposal merit examination. Since the failure of State price control suggestions have been made from time to time, particularly by the Opposition in this Parliament, that the Federal Government should be asked by the States to resume price control; in fact, I believe that at a Prices Ministers' Conference held in Hobart about 12 months ago it was unanimously decided that the Federal Government should be requested to do so. Of course, the Federal Government refused to have anything to do with it, although the people would be more adequately protected, but it was quite prepared to accept the responsibility in regard to a scheme of its own relating to one branch of primary production. This has led to a substantial increase in the cost of butter, one of the most important and essential commodities for the ordinary person's table. This will lead to a substantial increase in the basic wage at the next quarterly adjustment. The date of the increase in the price of butter was cunningly chosen so that its impact on the basic wage would be delayed as long as possible. Had the increase been allowed a few days earlier it would have been reflected in the last adjustment, and unfortunately the workers have had to pay a much higher price for butter and will not be compensated until the next basic wage adjustment.

The butter price is supposed to be based on the cost of efficient production of butter fat,

as estimated by the Commonwealth authorities. We have never been told, either by the Premier or by Commonwealth authorities, what is considered to be an efficient basis for the production of butter fat. Do they take into consideration cows which produce 120 or 130 lb. of butter fat a year or those which produce 240 to 250 lb.? That has an important bearing on ascertaining what is a payable price to the dairy farmer and I would welcome some information on this subject. It is interesting to learn also that, according to a statement made by the Federal Minister for Commerce and Agriculture (Mr. McEwen) as published in the *Advertiser* of June 12 last, the whole of the benefit from this increase will not be enjoyed by the dairy farmer. Some of it will benefit Commonwealth revenues because the Government had undertaken in its pre-election propaganda to guarantee a certain price to the dairy farmers and that, of course, necessitated the payment of a Commonwealth subsidy on butter fat production and certain other types of milk products. Mr. McEwen told a meeting of States Ministers of Agriculture in Melbourne that the Federal consumer's subsidy of 1s. 1.3d. a lb. on butter would be cut to about 10½d. a lb., so, under the scheme we are asked to sanction today, the Federal Government is relieved of the responsibility regarding butter price subsidy by nearly 3d. a lb. We cannot very well do anything about amending this Bill to bring about what I desire, but I hope that in future when arrangements of this kind are being made by the Premier involving agreements which are subsequently brought to Parliament for ratification, and which we cannot very well refuse to ratify because the word of Parliament has already been pledged, the Premier will have regard, not to one particular industry, but to all of the primary industries of Australia to see whether the raising of the price in one will have a detrimental impact on another. It is obvious that the raising of the price of butter will force up the basic wage at the next quarterly adjustment and will have some detrimental effect on other primary industries, and particularly those such as the dried fruits, the wine and the poultry industries, which are not participating to any great extent in the benefits of high prices for overseas exports as are the wheat and wool producers. However, the Bill does afford some protection to the people of this State and because of that I will not oppose the second reading.

Mr. HUTCHENS secured the adjournment of the debate.

## STAMP DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 7. Page 328.)

Mr. FRANK WALSH (Goodwood)—This Bill, as the Treasurer explained, has two objects, namely to enable the Government to pay commission to banks on stamp duty paid by them on cheque forms and to enable men who have served or who are serving in armed forces in Korea or Malaya, or their widows, to claim exemption from stamp duty in cases where he or she has purchased a dwellinghouse for occupation, or land on which a dwelling is to be built. I am quite in accord with those provisions, although the carrying of the Bill involves retrospective payment as from November, 1950, and it would appear that the measure should have been introduced in the 1950 session. The concession to ex-servicemen is just and merited. Some provisions in the Succession Duties Act are somewhat associated with the measure before us and it is to be hoped that during this session the Government will afford Parliament an opportunity to review that legislation. I have pleasure in supporting the second reading.

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

## GARDEN SUBURB (REPEAL) BILL.

Adjourned debate on second reading.

(Continued from August 7. Page 330.)

Mr. FRANK WALSH (Goodwood)—I support this Bill which is a hybrid and will have to go before a Select Committee. Therefore, I should like to offer some suggestions for the consideration of that Committee. Firstly, the Garden Suburb is now rated under the land values system and the proposal in the Bill is to incorporate it within the boundaries of the Mitcham Corporation, which will automatically bring these ratepayers under the annual values system. When the Garden Suburb was first established the annual rate was as low as £4 4s. and the highest rate yet paid is £5 11s., showing that the rate has not been increased very much by comparison with rates in councils rating under the annual values system. Even in the municipality of Unley, in which I am a ratepayer, the rate is 3s. 6d. in the pound. The Mitcham Corporation fixes its rates in three categories: the more remote parts—mostly farming and grazing lands—are rated at 3s. 1d., the areas not very closely settled at 3s. 2d., and the more densely settled

areas, and particularly those surrounding the Garden Suburb, at 3s. 3d. I am informed also that the Mitcham Corporation has just completed a new assessment and that the council will consider its adoption early in September. Therefore, we can expect that a rate of 3s. 3d. will be automatically applied in the Garden Suburb area.

I know of two homes having been sold in the district recently. One in the area represented by the member for Mitcham brought £3,750 and one on the western side in the area I represent, one of the original Thousand Homes costing £635, was sold for £2,250. One could expect that such a house would not be valued at less than £1 a week under the annual values system of rating. By applying the new rate proposed by the Mitcham Council it is likely that the present rate of £5 11s. for this residence will be increased to £8 9s. During the war the Garden Suburb Commissioner had an important job in the defence forces and consequently could not devote his time to his official duties. As a result the capital equipment got a little behind, and this position requires consideration. All the roads in the area have been constructed and compare favourably with those in nearby suburbs. Footpaths and street lighting have also been provided, and many of the streets are kerbed. In the design certain areas were allotted for lawns and gardens and their upkeep absorbs a fair amount of the rates. The layout also included rather wide footpaths, which are about double the width of those in other suburbs. On half the area screenings have been applied and on the remainder trees and lawns planted. Portion of some footpaths are overgrown with natural grasses and this involves major upkeep expenses. The suburb requires no heavy equipment for upkeep, although an up-to-date motor lorry would be an acquisition to replace the present vehicle, a 1924 model. A grass cutter would also be an acquisition, and another lorry would be useful to collect refuse. The Commissioner has been dependent largely on the Mitcham council to assist in the disposal of the refuse. Possibly £5,000 spent on machinery would meet requirements.

Rates could possibly be increased by £1 or £1 10s. to increase the revenue to £9,000. I know of no council that passed through a harder period than the Garden Suburb from 1930 to 1933. Although during the depression years outstanding rates aggregated £5,000, that figure has since been reduced to £150. Therefore, the present financial position

is a credit to residents, who started behind scratch. The Select Committee should endeavour to ascertain how the petition forwarded to the Minister for the proposed amalgamation originated, and whether it represented the feelings of all the residents or only some of them. I believe a poll of ratepayers should be held to decide whether the people want the transfer. The present Commissioner or some other person could act as returning officer. The matters I have mentioned may have a bearing on the inquiry by the Select Committee. If this Bill did not have to go before a Select Committee I would have more to say on it now. In his summary Mr. Pellew said that if we should experience a setback in economic conditions as we did in the years 1930 to 1933 the Garden Suburb would be too small to stand up to it. In making his recommendation did Mr. Pellew act on evidence or did he pay more attention to the economic position? I have attended many functions in the Garden Suburb. On one occasion the Deputy Speaker and the Minister of Local Government accompanied me to the opening of a children's playground opposite Colonel Light Gardens School. A committee had been appointed to raise money and I had not seen better equipment anywhere. In recess periods the area is used by children from the school. The Minister congratulated the members of the committee on their work.

There has been a desire amongst the people in the area to progress and after all the good work that has been done, I am amazed that there should be an attempt to include the Garden Suburb in the Mitcham Corporation area. I hope the Select Committee will note the points I have raised, particularly on the holding of a poll of ratepayers after they have been given information regarding future rating. I support the second reading.

Bill read a second time and referred to a Select Committee consisting of Messrs. Dunning, Moir, Riches, Frank Walsh and the Minister of Local Government; the committee to have power to send for persons, papers and records, and to report on Tuesday, September 16.

#### MOUNT GAMBIER WATER SUPPLY SYSTEM IMPROVEMENTS.

The DEPUTY SPEAKER laid on the table the report of the Parliamentary Standing Committee on Public Works on the Mount Gambier water supply system improvements.

Ordered to be printed.

#### ADJOURNMENT.

At 4.38 p.m. the House adjourned until Tuesday, August 19, at 2 p.m.