

HOUSE OF ASSEMBLY.

Wednesday, September 16, 1953.

The SPEAKER (Hon. Sir Robert Nicholls) took the Chair at 2 p.m. and read prayers.

QUESTIONS.

PROCEDURE WITH BILLS.

Mr. STEPHENS—Mr. Speaker, have you a reply to the question I asked yesterday in reference to procedure with Bills?

The SPEAKER—Following on the honourable member's question the Clerk of the House and I have made considerable research in an endeavour to get a helpful reply. I have a prepared reply, which reads as follows:—

By question yesterday, the honourable member for Port Adelaide sought elucidation of the procedure relating to the assent to Bills, and also an explanation as to the time from which State Acts of Parliament became operative.

Our Standing Orders are specific in so far as the matter of obtaining assent to a Bill which has originated in the Assembly concerns the Speaker:—

“Every Bill originated in the Assembly which shall pass the Legislative Council without amendment, and every such Bill which shall be returned to the Assembly with amendments by the Legislative Council, to which the Assembly shall finally agree, shall be fair printed, and six copies thereof presented by the Speaker to the Governor for Her Majesty's assent; the Clerk of the Assembly having previously certified in writing at the end of the Bill that he has examined such fair print, and found it to correspond in all respects with the Bill as finally passed by both Houses, and provided that at the top of the first page of such fair print the Speaker of the House of Assembly shall have certified that it originated in the House of Assembly, and has been finally passed by both Houses.”

A similar provision exists in the Legislative Council Standing Orders in relation to the presentation by the President of Bills originated in the Legislative Council.

The actual assent by the Governor in the name of Her Majesty is a subject which, of course, does not come within my jurisdiction as Speaker.

The Governor's powers are set out in the letters patent passed under the great seal of the United Kingdom, constituting the office of Governor of the State of South Australia and its dependencies in the Commonwealth of Australia, and also in the instructions passed under the Royal Sign Manual and Signet.

These instructions provide that “the Governor shall attend and preside at the meetings of the Executive Council, unless prevented by some necessary or reasonable cause”; and, further, that “In the execution of the powers and authorities vested in him the Governor shall be guided by the advice of the Executive Council, but if in any case he shall

see sufficient cause to dissent from the opinion of the said Council he may act in the exercise of his said powers and authorities in opposition to the opinion of the Council, reporting the matter to us (that is, Her Majesty the Queen) without delay, with the reasons for his so acting.”

The classes of Bills which are to be reserved for Her Majesty's assent are also set out in the Governor's Instructions.

Our Bills are assented to in Executive Council by the Governor in the name and on behalf of Her Majesty the Queen, the two Houses of Parliament are notified by Governor's message and notice of the assent appears in the *Government Gazette*. With a reserved Bill, similar notifications are given when the Governor receives advice of Her Majesty's assent thereto.

In practice, the assent to a Bill is a formality. The relationship between the Ministers and the Crown is largely a matter of constitutional convention. The part played by the Ministers of the Crown in regard to the assent to Bills is stated clearly by Professor Berriedale Keith, the eminent authority on constitutional law, in the book *Responsible Government in the Dominions*. He states that, “for the Government to advise the withholding of assent would be a very strong step, and, though the Crown might well act on such advice, there is the chance that the issue would approach so closely to the point of a violation of the Constitution as to render the giving of such advice most improper.”

In writing on the “Constitution, Administration, and Laws of the United Kingdom,” he declares that Ministers would not “venture to advise the Crown to refuse to accept a Bill passed by both Houses; if they desire to defeat any measure it must be done in one House or other, not by the prerogative.”

The law governing the time of coming into operation of an Act is set out in the Acts Interpretation Act, sections 7 to 9. In layman's language, it means that in the absence of any specific provision in the Act to the contrary, an Act shall come into operation on the day on which it is assented to.

In the case of a Bill reserved for Her Majesty's pleasure (and this would include Bills which alter the constitution of the Legislative Council or the House of Assembly) the Bill comes into operation as an Act, in the absence of any express contrary provision therein, on the day when the proclamation by the Governor to the effect that Her Majesty has assented to the Bill, appears in the *Government Gazette*.

LIGHT PASS SCHOOL.

Mr. TEITSNER—I have been asked by the Light Pass school committee to bring under the notice of the Education Department the housing requirement of the teacher at the school. I understand that several years ago he was provided with accommodation at Nuriootpa, several miles away. At that time the accommodation was acceptable as no other was available. Since then the position has changed considerably as the Housing Trust is

building homes in the Barossa and other rural areas. I have been asked to request that a house be built on the Light Pass school grounds to accommodate the teacher, which would obviate the necessity for travel daily to and from Nuriootpa. Would the Minister representing the Minister of Education ascertain if the project can be carried out?

The Hon. M. McINTOSH—I will be glad to do it.

ESTABLISHMENT OF STEEL WORKS NEAR WHYALLA.

Mr. RICHES (Stuart)—I move—

That a Select Committee be appointed to inquire into the desirability of establishing a steel works in the vicinity of Whyalla and to report to Parliament on steps to be taken to implement recommendations made by the Director of Mines on such an undertaking.

This, I suppose, is the most important matter introduced into this House this session, if not in any session. Directly, it has to do with the establishment of a completely integrated steel works in South Australia, an industry of the magnitude of £100,000,000, and indirectly it has to do with Government action necessary to meet Australia's need for steel in the immediate future and the preservation or treatment in South Australia by South Australians of one of the richest ore deposits in the world. Iron and steel are the very foundations upon which private industry has been built. They are essential to our civilization. Our capacity to exploit our natural resources and make available locally produced steel at a reasonable price will do more than anything else to improve our standard of life. Nearly every modern home appliance, practically every farm implement and every means of modern transport has steel as a basic component. Every year for the past five or six years the Director of Mines has drawn the attention of Parliament to the need for the establishment of the steel works near Whyalla and in 1951 he submitted a special report after having conducted extensive research in the iron and steel industry of Australia. In that report he urged the establishment of a completely integrated steel works near Whyalla within three years, and suggested that another be built at Bowen in Queensland, to be completed in 1960, to enable Australia to receive the full quota of steel necessary to meet its own requirements.

Although the suggestions have been made for years and the Director of Mines has gone to great length to apprise Parliament of the

urgent need for the establishment of such steel works at Whyalla no notice seems to have been taken of his report either by Parliament or the Government. Indeed, it would appear that for purely political reasons the Government is hesitant about acting on the Director's advice. On the other hand, the Queensland Minister of Mines has announced his Government's intention of immediately exploring the possibility of establishing steel works at Bowen, and the Western Australian Government has already entered into an agreement with Broken Hill Pty. Company for the establishment of works for the fabrication of steel in that State. The Director, in a public lecture recently given in Adelaide, said that the delay in establishing steel works in South Australia was a matter of grave public concern and he expressed the opinion that everything seemed to be ready and available except finance. After that statement I questioned the Premier on August 4, and he said that he had discussed this matter with the Chancellor of the Exchequer whilst in Great Britain and that he had it on the highest authority that if worth while deposits of iron ore could be found problems of finance could be easily ironed out. A recent announcement by the Director of the World Bank intimated that finance was available for developmental projects in under-developed countries. In this regard there is evidence in the report submitted to Parliament by the Director of Mines a week or so ago to the effect that of all the civilized countries of the world Australia is probably the most under-developed as regards its utilization of its iron ore reserves. In Canada since the war the production of steel has been increased by 100 per cent and in the United States of America by about 120 per cent, whereas Australia is approximately where it was before the war.

On the question of the economics of the proposition, according to the report tabled by Mr. Dickinson a fortnight ago, Australia has already paid in premiums on imported steel as compared with the prices of the locally produced article, during the past three years—the period that has elapsed since he submitted his earlier report—an amount which would have more than financed a new steel works of 1,000,000 tons capacity. There seems to be general agreement that a steel works is practical, urgent, and would confer immense benefits on every section of the community, but nothing is being done. I want Parliament to appoint a Select Committee to determine why. The Premier acknowledges that the project

is desirable, but says he wants to find ore outside the Broken Hill Pty. Company's leases instead of negotiating with the company to supply ore from its reserves. Is it not reasonable to make an approach to the company seeking to obtain ore from its leases rather than it should be shipped abroad in the form of pig iron as is the practice now? Mr. Dickinson says that we should restrict the export of iron ore, whether in the form of ore, pig iron or scrap iron, as Australia is doing at present, and instead build up an export trade in steel. He draws attention to the danger that lies in the unrestricted export and depletion of our natural resources. Already he says half the known reserves of Iron Monarch have been exported either interstate or overseas. The B.H.P. must be in agreement that a steel works is desirable and practicable. Mr. Essington Lewis and other representatives of the company appeared before a Select Committee and gave evidence as far back as 1937 referring to the establishment of a steel works, which would surely follow the operation of a blast furnace at Whyalla. Again, in July, 1948, in the Joseph Fisher Lecture at Bonython Hall, Mr. Lewis said that the company was planning to establish a steel works at Whyalla. On that occasion he said:—

This Whyalla development will involve the erection of coke ovens, open hearth facilities and rolling mills—in fact a completely integrated steel works. The nucleus already exists in the wharf facilities, blast furnace and machine shops and, with a large clear area of land available there is the opportunity to lay out a fine modern plant.

It would appear that the Premier, speaking for the Government, and Mr. Lewis, speaking for the B.H.P., are agreed on the desirability and practicability of establishing steel works at Whyalla. It is apparent from all the evidence from the highest possible authorities that a steel works is practicable, and according to Mr. Dickinson, whose contention is supported by statistics and detailed information, it is essential to Australia's development and South Australia's economy and should be established without delay. Repeatedly throughout his report Mr. Dickinson refers to the cost and danger of any further delay. The time lag is costly and is causing grave concern.

The Premier, although agreeing that a steel works is necessary, states that the Government has not sufficient ore on leases outside the B.H.P. Company's control. In reply to a question on August 4 he said:—

The Government is in accord with many of the things mentioned in the Director's report.

The Government is not at present engaged in steel production . . . it is not at present in possession of iron ore leases of any significance. It has no power to expropriate iron ore leases, so as a first step it has been investigating closely the possibilities of locating worthwhile iron ore deposits which could be used and which would not be subject to leases. Under the law anyone holding a lease has the right to work it, and at present the Broken Hill Proprietary Company is working its leases in accordance with the law.

I then asked whether the Government had any power to control the export of iron ore and the Premier replied:—

We have been engaged in an intense exploration of the Middleback Ranges, and have carried out an extensive boring programme to see if it is possible to locate iron ore deposits capable of being developed. I discussed the matter with the Chancellor of the Exchequer when I was in Great Britain and I have it on the highest authority that if worthwhile iron ore deposits can be located problems of finance can be easily ironed out. It all depends upon the Government having in its possession iron ore leases capable of being worked.

I am asking that a select committee be appointed to investigate the matter and report why negotiations cannot be entered into with the B.H.P. to supply the iron ore necessary for a steel works instead of shipping it overseas. All authorities are agreed that the ore is available. Why does the Government have to look for ore outside B.H.P. leases? Why would the company refuse to supply a South Australian steel works, especially if it operated under a joint scheme as envisaged by Mr. Dickinson with the B.H.P. holding shares with the Federal and State Governments? It is presumption on the Premier's part to say that the company would refuse to supply ore unless he has some evidence to support that view. I do not believe he has any evidence, but if he has it should be made available to this Parliament. On August 26 I questioned the Premier about obtaining ore from the B.H.P. and he replied with a lot of nonsense about repudiation. No-one has suggested repudiation nor, at this stage, anything remotely resembling abrogation of leases. I referred again to the statement of the Director of Mines to the effect that everything necessary for the establishment of a steel works was available near Whyalla and that the only difficulty appeared to be finance. I mentioned the Premier's assurance that finance was available in England if he could satisfy himself that the iron ore was available and I asked whether negotiations had been entered

into with the B.H.P. Co. with a view to obtaining ore from its leases. The Premier replied:—

I have had discussions with the directors of the B.H.P. Co. and, as far as I can understand their attitude, they have not abandoned the proposal to establish steel works at Whyalla, but the hot strip mills at Port Kembla have proved much more expensive than was expected and this has strained the company's resources fairly heavily. In view of this I do not think it would commit itself to the construction of a steel mill at Whyalla at this stage.

When I suggested that the B.H.P. should not necessarily be required, in view of its other commitments, to establish such a mill and that the Government might take a hand in establishing it the Premier replied:—

Let me dispel any illusions the honourable member may have on that score; the Government has no intention of establishing steel mills at Whyalla as a Government undertaking. It has not the technical knowledge to enable it to undertake the work and it is deeply committed in other matters. There are many other projects requiring the finance available to the Government.

In reply to my question as to how the ore would be returned from the leases which were being exploited, the Premier said the whole question depended on the Government's ability to discover iron ore reserves outside B.H.P. leases; but, even if such reserves were discovered, how would the ore be treated? The Premier continued:—

We had a similar position in regard to the production of sulphuric acid in this State. The Government undertook an investigation to see if it would be possible to get iron pyrites in sufficiently large volume and at economic cost to enable sulphuric acid to be manufactured here for our superphosphate requirements. The investigation was successful and as the result of having raw material available a company was organized and is now actively developing the resources. I would expect that if the Government were successful in finding payable iron ore deposits in quantities like those at Iron Knob a similar type of approach would be made to the problem. Without the iron ore the Government is powerless to act. I have already informed the honourable member that as a preliminary the Government is investigating the possibility of securing supplies of iron ore.

That is the type of arrangement envisaged by Mr. Dickinson in his report, and members should have regard to one or two matters arising out of the Premier's statement. Firstly, as a member of the Industries Development Committee, I was associated with the inquiries into the question of financial assistance for the Nairne pyrites project, and absolute reliance was placed on the reports of the

Director of Mines, an acknowledged authority on the subject. Evidence submitted proved that, two years before, an application was made to the committee, reserves of pyrites had been explored, and in the *Mining Review* had been printed a complete working account of the costs of and the probable returns from working the deposits. Those figures, which were accepted without question by all the companies concerned, form the basis of the operations being carried on at Nairne today. The Director of Mines submitted the report on the desirability of a steel works and he expects Parliament to do something in the matter. Mr. Dickinson has all the qualifications we could ask of anyone. His qualifications have been acknowledged by the Government, by the fertilizer companies and by the Broken Hill Pty. Company itself, so far as the Nairne project is concerned. Further, the State has accepted his qualifications and recommendations as far as the development of Radium Hill is concerned, and his statements have been accepted as authoritative in regard to the development of the Leigh Creek coalfield. Anyone who takes the trouble to peruse his reports to Parliament and examine the results of his findings must set much store on them. He has undertaken a great amount of research and between submitting his two reports he has visited most of the industrial centres of the world. No other report could be submitted to this Chamber couched in stronger terms, and no recommendation could be made backed by greater detail or more clearly or firmly expounded than the recommendations from the director with which I am now concerned. His report and recommendations are a warning to us as the custodians for the time being of South Australia's interests. He considers the question of establishing a completely integrated steel works at Whyalla to be one of outstanding importance. I shall deal with his recommendations at length, for I want the House to know that all the statements I have made are supported by detailed evidence. Mr. Dickinson recommended:—

That a new company should be formed and that the capital should be raised by private subscription and Government loans to finance the new company to produce steel in Australia. It is furthermore suggested that the B.H.P. and the South Australian and Commonwealth Governments should be major shareholders in this new company and that finance and/or plant be sought abroad to permit production being undertaken in the shortest possible time.

These recommendations seem to accord with the Premier's own suggestion that a company

should be formed in a similar manner to the formation of a concern to establish the Nairne pyrites industry. The proposal commends itself to me for several reasons. The Nairne pyrites company has a capital of £1,000,000 of which £200,000 has been subscribed by four companies interested in the industry. The amount of £800,000 has been guaranteed by the State Government, so it has some control over the mining of the deposits and over the marketing of the product to see that the State's interests are protected and so that the interests of the people are protected as regards mining, manufacture and sale of the product.

Mr. O'Halloran—And particularly as regards the price of the product to the user.

Mr. RICHES—That is an important point. Even though the company may have a monopoly in the industry, for it will be the only local source of supply, it will not be able to recoup itself unduly at the expense of the consumer. Mr. Dickinson suggests the establishment of a company along similar lines for the production of steel products at Whyalla. The Commonwealth Government should have an interest in the company because of the importance of the proposed industry in any defence programme or in any programme of expanding public works, and because I believe the export trade in steel products, rather than in iron ore, should be developed. These are all Commonwealth matters, but South Australia should be interested because, according to the Premier, the State has ore at its disposal. The best interests of the State should be preserved. After having submitted his recommendations, which have not yet been acted upon, Mr. Dickinson had the following to say regarding the iron and steel situation:—

The present monopoly control of the steel industry by the Broken Hill Pty. Co. Ltd. is not in the public interest. It must be overcome, preferably by the establishment of a new company producing steel in Australia on a competitive basis.

Mr. Dickinson supports that contention by a survey of the situation in detail, to which I shall refer later. I submit that the position demands an inquiry by a Select Committee. South Australia provides 99 per cent of the total iron ore production in Australia, yet not one ton of steel is produced in this State. New South Wales, Western Australia and possibly Queensland lead us in steel production, and mostly with South Australian ore. There may be difficulties in the way of such an undertaking. For instance, Mr. Essington Lewis, in the course of the "Joseph Fisher"

Lecture at the University of Adelaide in 1948, said that an additional water supply might be necessary at Whyalla. He said:—

The Broken Hill Proprietary Company is now planning a development of peculiar significance to South Australia, namely the establishment of a steel works at Whyalla, thus further aiding the scheme of decentralization. When the Newcastle steel works were established, it took approximately 1½ tons of ore and 3 tons of coal to make a ton of finished steel. Obviously, the economics were in the direction of taking the ore to the coal. In the intervening 30 years, tremendous strides have been made in the art of fuel conservation and nowadays an Australian steel works take about 1½ tons of ore and 1½ tons of coal to make a ton of finished steel. The economic situation has therefore changed and it becomes a practical proposition to carry the coal to the ore under some circumstances. This Whyalla development will involve the erection of coke ovens, open hearth facilities and rolling mills—in fact, a completely integrated steel works. The nucleus already exists in the wharf facilities, blast furnace and machine shops and, with a large clear area of land available, there is the opportunity to lay out a fine modern plant. Before the works can be built it will be necessary to conduct negotiations with the South Australian Government for further supplies of fresh water. The planning of this work will take some years and in any case, other more urgent work has to be undertaken at present. With the present dearth of men and materials it is impossible for any active erection to commence; indeed, at Whyalla today there are insufficient men to maintain the shipbuilding programme.

In commenting on the report the Director of Mines said that if the company were unable, because of shortage of manpower, to establish an industry a completely integrated steel industry (plant and men) should be imported. Mr. Lewis said it would be necessary to make arrangements for the South Australian Government to increase the supply of water. That may be necessary and if so it is a point which should be considered by a committee. Whatever is necessary for the establishment of the undertaking should be made known to us, and a Select Committee is the appropriate body to make the investigation. I understand it was said last year by a Minister that additions to the Morgan-Whyalla pipeline were necessary. I believe that a reference has already been sent to the Public Works Committee in relation to a duplication of portion of the pipeline to provide water for new works at Port Pirie. I want to place on record the evidence given by Mr. Lewis to the Parliamentary Committee which inquired into the Broken Hill Proprietary Company's Indenture Bill in 1937. It shows that steel works for

Whyalla were envisaged and it was understood that the plan would be implemented after the agreement was signed.

Mr. O'Halloran—A strip-mill was contemplated also.

Mr. RICHES—Yes. Mr. Lewis said:—

We (the directors of the Broken Hill Proprietary Company) feel if a steel works is established subsequently, and a water supply is put down to Whyalla, part of which we would pay for, an enormous benefit will be derived by the primary producers around the coast to Whyalla, and the position of such places as Wallaroo and Port Pirie would be strengthened in so far as their becoming manufacturing centres in the future is concerned. There is no reason that I can visualize why a certain number of industries should not develop from the establishment of steel works in this State. There is no reason why they should stop at Whyalla. There is every reason why perhaps some of the finishing industries should be carried out at Port Pirie or Wallaroo, or even at Adelaide. The feeling of our directors is that they are endeavouring to put a pivot in the industries in South Australia, to which can be hung various other allied industries.

Because of commitments in other States nothing has been done, and I do not think we can expect anything so far as the company is concerned.

Mr. O'Halloran—A strip-mill industry has been established at Port Kembla.

Mr. RICHES—Yes. I think it has been lost to the State. When the legislation was before Parliament Sir Richard Butler, more than the directors of the company, gave us to understand that the construction of a mill would be one of the advantages that would accrue from the granting of the leases. I suggest that a case has been made out for an investigation. That is all I seek, having regard to the time factor and the importance of the statement made by the Director of Mines. I want a Select Committee appointed to inquire into the desirability of establishing steel works at Whyalla and to report to Parliament on the steps that should be taken to implement its recommendations. There is nothing unreasonable about that request. After all, the report is to Parliament; we insist on receiving it from the Director every year, so we should take some notice of it. As I have said before nothing that Parliament could discuss is of greater importance than the Director's recommendations if they have any foundation in fact, and I do not think any member disputes his qualifications or his right to draw attention to these matters. Because I realize that most members have not had an opportunity to read the latest report submitted by the Director, I propose to place

on record a summary of his report in some detail. It is as follows:—

1. The economy of Australia still very largely depends on the profits derived from the sale of the products of her agricultural and mining industries in overseas markets.

2. Australia is nevertheless now entering a period of unprecedented industrial expansion. Great natural resources are available for development; her population is increasing rapidly; the impact of World War II. has accelerated the establishment of many industries, both primary and secondary; and the availability of cheap steel in much larger quantities is now extremely important to Australia's sound economic growth.

3. It is estimated that the demand for steel in Australia in 1960 could reach 5 million ingot tons per annum. Whilst this prediction of demand is open to the criticism invariably associated with any estimate of future needs, it is based on the assumption that Australia's industrial growth will continue for some time to come at a rate comparable with that of the past decade.

4. Steel capacity is properly regarded as indicative of a country's industrial strength and of its defence potential. Likewise the per capita steel consumption is a good index of industrial activity. The amount of per capita steel consumption has increased in all highly industrialized countries where vigorous developmental works are in progress. In Canada it has increased from 400 lb. per annum in 1940 to over 800 lb. in 1952. In 1939-40 Australian steel works had the same per capita capacity as that of Canadian steel works, but thereafter steel works capacity in Australia increased only 20 per cent, whereas in Canada an increase of over 100 per cent took place.

5. The present total capacity of the Broken Hill Proprietary Company's steel works is 1.926 million tons. In 1955 the Company plans to have established an additional 350,000 tons, making a total of 2.276 million tons, equivalent to about 550 lb. per capita per annum. This steel works capacity is quite inadequate for Australia's normal consumer demand and developmental and defence needs, which in 1960 are estimated as possibly requiring a maximum of 5 million tons per annum.

6. During the post war years the growth of Australia's steel production capacity did not keep pace with her national growth. In 1940 the total capacity of the Broken Hill Proprietary Company's steel works was 1.691 million tons, in 1950 1.880 million tons, an increase of only 189,000 tons or one per cent per annum over a ten year period (see Fig. I.). During this period Australia's manufacturing industries increased their output by several hundred per cent, a higher percentage increase than in any other British Commonwealth country. The current expansion programme from 1.926 million tons in 1952 to 2.276 million tons in 1955, 350,000 tons of ingot steel, commenced too late. The inadequacy of steel capacity in Australia can only be rectified by the establishment of 2 million tons of additional capacity. As a first stage in a greater steel expansion programme it is recommended that

a completely integrated steel works with a capacity of 750,000—1,000,000 ingot tons be built in South Australia.

7. In the three years 1949-50, 1950-51, and 1951-52, Australia imported the equivalent of 762,000, 1,119,000 and 1,138,000 tons of ingot steel at prices up to 100 per cent above those for Australian steel. These imports do not include steel imported as fabricated products, such as buildings, factory plant, houses, etc. The total premiums paid as a consequence of a shortage of Australian manufactured steel would have more than financed a new steel works of 1,000,000 tons capacity.

8. The time lag involved in the construction of a large steel plant is a factor of vital importance in any expansion programme. On the basis of present day requirements, it may be argued that the 1950 and 1951 demands may have been tremendously inflated. The demand over a period of years, however, shows a continuing overall increase in both total needs and also per capita needs. The direction in which Australia's economy is moving is thus clearly defined. There should be no hesitation in establishing new steel plants in Australia. Her security and her economic future requires that her steel plants should always have a capacity in excess of peak demands.

9. Australia outstandingly produces the lowest priced steel in the world. In many export markets her steel has been placed at a price advantage relative to that from other sources. On present indications there should be no difficulty in placing much larger quantities, particularly in British Commonwealth countries, although it is clearly evident that export surpluses may be a prominent feature in some steel markets in the immediate future.

10. Ample supplies of high-grade iron ore are available in Australia for the proposed expansion programme but it is vitally necessary that the export of iron ore, pig iron and scrap iron be restricted so that they can be conserved to maintain production of low cost steel for as long as possible. Little is known of the iron ore reserves of Australia. After 25 to 30 years, unless new discoveries of high-grade iron ore are made, low-grade ore will have to be relied upon for continued as well as further increases in steel production. The tempo of exploration and development should be increased, with special attention being given to those areas where the economics of production are favourable.

11. South Australia provides 99 per cent of the total iron ore production of Australia. Its known reserves of high-grade ore are not unlimited, but are adequate to support a new steel plant of 750,000-1,000,000 tons capacity for a period of 30 years. At the same time they are adequate to supply Port Kembla and Newcastle for a similar period. The reserves should not be depleted to an extent which will prejudice the establishment of a large-scale steel works in South Australia.

12. The capital expenditure required to build a steel works of 1,000,000 tons capacity is approximately £(A)100,000,000 on present-day values. It is suggested that this capital be raised by private subscription and Government loans to finance a new company to produce steel

in Australia. It is furthermore suggested that the Broken Hill Proprietary Company and the South Australian and Commonwealth Governments should be major shareholders in this new company and that finance and/or plant be sought abroad to permit production being undertaken in the shortest possible time.

13. The present monopoly control of the steel industry by the Broken Hill Proprietary Company Limited is not in public interest. It must be overcome, preferably by the establishment of a new company producing steel in Australia on a competitive basis.

I shall now refer to some of the research Mr. Dickinson has presented in support of his summary. His report states:—

The vital significance of steel both in peace and war needs no special emphasis. Since the industrial revolution no nation that has not possessed an iron and steel industry of considerable proportions has been able to aspire successfully to the rank of a great power. Great Britain ruled the world when she out-ranked all the other nations in the manufacture of iron and steel. Germany grew in political stature with the growth of her iron and steel industry.

Germany still exerts an influence industrially on the world because of its iron and steel industry. South Australia recently doubled its cement producing capacity but the steel necessary for the kilns to step up that production had to be imported from Germany. According to the evidence given to the Industries Development Committee the Germans were not slow to take advantage of the world's steel shortage, and South Australia paid plenty for the steel it acquired. Work on the erection of the power station at Port Augusta had to be preceded by the provision of a coffer dam, the steel for which had to be imported from France. Quite an appreciable number of steel girders from this source have already been placed in position. Recently the Commonwealth Government purchased a new steel train from Germany for the East-West run, and the quality of the steel in the carriages can be appreciated. Australia was taken for a ride in more ways than one in this purchase. Mr. Dickinson's report continues:—

Russia and Japan strained every nerve to build up iron and steel industries of their own and now the United States, with a capacity to produce more steel than the rest of the world put together, possesses the highest material standard of living and the greatest economic strength of all. It is not intended to imply that steel is the only factor in determining military and economic strength, but rather that it is the backbone of modern civilization, supplying the fundamental necessities of peaceful life and of warfare. No other metal is capable of so many uses. There is scarcely any article used in our daily lives that has not

been produced from steel or by means of steel. Steel forms the framework of factories, office buildings, and homes. The factories house engines of steel, machines of steel, and tools of steel. The office buildings are fitted with steel furniture and steel equipment. In the homes are found steel refrigerators, washing machines, vacuum cleaners, stoves, and a hundred and one other appliances. In 1950 these home appliances in the United States of America accounted for 43 per cent of the total steel consumption or 414 lb. per head of population, nearly as much as Australia uses at present for all her needs.

Modern food-consuming habits are unthinkable without the ubiquitous tin can, which is really a steel can with a thin coating of tin. In 1950 canned beer alone in the U.S.A. absorbed over 400,000 tons of tinplate. The development of modern transportation and communication networks in the form of rails, bridges, trains, ships, pipelines, motor vehicles, aeroplanes, etc., would have been impossible without steel. Even agriculture is becoming more and more dependent on steel. It is relying more and more on mechanical implements for preparing the soil, for planting, for harvesting, for taking the crops to market, and for processing the crops. In short, steel is virtually everywhere. A measure of a country's industrial development and standard of living can well be expressed in terms of crude steel consumption per head of population.

The report contains figures showing the comparative consumption for the year 1950 in selected countries—the higher the material standard of living the greater the per capita consumption of steel in the form of all manner of goods containing steel. Mr. Dickinson included a table showing the outstanding development of steel production in America. In contrast, Australia's absolute production and consumption are relatively small by world standards. He says that for a country of equal continental area to that of the U.S.A., Australia is relatively undeveloped. This report continues:—

It may be said that the American way of life owes its evolution to a vigorous and almost whirlwind development of the country's rich natural resources. Besides being the largest producer of steel in the world, the U.S.A. is the largest producer of coal, oil, natural gas, copper, lead, zinc, sulphur, phosphate rock, and many other minerals, as well as of many agricultural products, including wheat and meat. Coal mines may lie 1,000 miles away from the iron ore, food may be grown a thousand or more miles away from New York, yet her magnificent transportation services move these essential materials and others quickly and at relatively low cost. This vigorous development of the American continent has resulted in an almost overwhelming abundance of wealth becoming available for the use of each generation. In material goods it allows for most families a car, a refrigerator, and a washing machine, a combination which the average Australian could not afford. In the

practical sense the greater part of the American continent was settled firstly with the aid of railroads and steam, to be followed by highways, motor vehicles, pipelines, telephone lines, power transmission lines, as the means of overcoming the space handicap and of creating prosperity in spite of excessive distance. The population of the U.S.A. has doubled since 1900 from 76,000,000 to 152,000,000. The capacity of her steel plants now approaches 120,000,000 tons of ingot steel per annum. As a very small percentage of American steel finds its way on to world export markets, this capacity figure of three quarters of a ton of steel per head of population may be taken as the minimum requirements necessary to maintain her high domestic standard of living and meet her defence requirements.

That is the reasoning Mr. Dickinson has adopted in determining the reasonable requirements of Australia in 1960. His report continues:—

As the years go on, a higher consumption of steel per capita may be expected with the further development of public and private transport and the application of more and more mechanical devices to the service of man. This wider and more intensive use of steel implies a corresponding increase in steel plant per capita at least whilst the present world tension continues. The long term increases in steel production in the U.S.A. may well be planned on the basis of maintaining a minimum capacity of three quarters of a ton of ingot steel per capita per annum. The statisticians of the Commonwealth Department of Immigration have prepared a graph to show the rate of growth of population in Australia. At present the Australian population is approximately 8.5 millions. At the beginning of the century it was 3.8 millions, so that over the same period in which the United States population doubled (100 per cent), the Australian population increased by 124 per cent. The estimates show that with a migration gain of 150,000 annually, Australia would reach 10 million in 1957. With an annual gain of 100,000, this figure would not be reached until 1959, and with one of 50,000, the figures would not be reached until 1962, 10 years hence. With no aid from the migration flow, the tenth million would be delayed until 1966. It is assumed that the rate of natural increase (excess of births over deaths) will remain as at present. In 50 years' time the population of Australia could well exceed 20,000,000. In fact, a vigorous growth of population from Australian stock, supplemented by an inflow of suitable migrants, is essential for Australia's future defence.

Just how fast Australia's development can proceed will depend on her ability to follow the American pattern of settlement. She possesses natural resources capable of being developed to enable her to become a world power. Located as she is in isolation, removed from direct contact with the western world, and lying adjacent to South-East Asia, where more than half the world's population is concentrated and where the threat of Communist aggression gains ground every day, Australia has little time and no alternative but to build

up her industrial strength as quickly as possible on the American pattern. The greatest difference between the two continents is that at the present time the Australian has a tendency to judge the present and the future in the light of past events, whereas the American shaped his destiny on the demands of the present and his faith in the future. If security and abundance are the pre-requisites of a rich material civilization, Australia must likewise concentrate on the rapid development of her resources. To succeed, her international dealings must be such that there is not only a complete understanding on the significance of her resources, but also a sharing of them with other countries.

Australian industrial development will require considerable overseas capital. It cannot wait on the slow accumulation of home capital. However, in accepting overseas assistance, it is important that the requirements of the investor do not prejudice the interests of Australian people generally, and that both the investor and the Australian people derive mutual and lasting benefits. Before World War II. many overseas investments in Australia had the effect of slowing up the establishment and enlargement of local industries, the prime aim being the supply of raw materials to industries in the old established industrial centres of Europe. This tendency is still apparent, though not dominant. In the not-distant future it is hoped that Australian development may even be accelerated by a shove from England. This movement is developing slowly but needs to be speeded up considerably. It is becoming more and more apparent that England is becoming over-populated to the point of danger and the incentive for industry and capital to move to Australia is thus intensified. Australia is fortunate in possessing one major industry which can face world competition—her steel industry. As yet it is relatively undeveloped but is capable of tremendous expansion. If we include industries associated with steel, such as foundries, machine shops, alloy steel manufacturers, and some of the chief users of steel, such as the agricultural implement industry and the motor industry, the potential becomes even more impressive. An earlier study of the industry is given in my report of August 8, 1951—"Australian Steel—Key to Industrial Progress and National Security." It traces the history of the industry with suggestions for its expansion to meet developmental and defence needs. The present report is concerned more with the social and political implications which may arise from the control of the industry by one company, the Broken Hill Proprietary Company, and the problem of rapidly expanding the industry to meet all Australian needs.

THE OBJECTIVES.

In spite of the progress made during World War II. and subsequently, much more must be done and done quickly, to make Australia really strong as an arsenal of defence and a world power in the Pacific. Above all, Australia's industrial strength depends on steel supplies and the expansion of these supplies is basic to Australian development generally. In

the years preceding World War II. the Broken Hill Proprietary Company met all Australian steel requirements. In the early years of the second world war the company used its standby capacity for increased war production. However, in the latter years of the war and in the subsequent post-war period, production declined. Labour shortages, coal shortages, and price control all contributed to the decline in production and as a consequence, very little was done to enlarge steel-producing facilities. Australia then became an important importer of high-priced steel and steel products. Total imports of steel during 1949-1950, 1950-1951, 1951-1952 were 586,200, 860,400 and 875,400 tons of finished products respectively, equal to 762,060, 1,118,520 and 1,138,020 ingot tons. In addition, imports of manufactured goods such as prefabricated buildings, machinery, etc., largely made from steel and not included in the above figures, would account for another 200,000 to 300,000 ingot tons per annum. Thus for the years 1949-1952 the percentage of production to demand was only of the order of 50 per cent with the deficiency partly made good by imports costing approximately twice as much as the equivalent Australian product.

In April, 1952, the Commonwealth Government imposed import and other restrictions on capital work programmes, both private and governmental and as a consequence the demand for steel eased suddenly. In fact, the Broken Hill Proprietary Company now claim that they are able to meet all demands for steel and are exporting pig iron to Great Britain, the United States and other countries at the rate of 300,000 tons of pig iron a year. The amount paid as premium on all imported steel in three years would have been sufficient to finance the construction of a steel works. During that period we exported 300,000 tons of pig iron annually. The report continues:—If account is taken of accumulated stocks of imported steel and of current production the supply position may be considered satisfactory. The ability of the company to supply the current reduced demand for steel is not the important and deciding factor in this discussion on Australia's steel overall needs. By far the most important issue is Australia's ability to use steel for all manner of development and defence works as opposed to current needs, and the capacity of steel production which must be at hand to meet the peak demands.

This report attempts to show the programme of expansion of the Broken Hill Proprietary Company is barely enough for present needs and wholly inadequate for developmental and defence needs. An endeavour will be made to show that the development of steel exports is desirable to allow greater flexibility in diverting supplies elsewhere if necessary as an important means of helping to build up a favourable trade balance as well as strengthening Australia's defence potential. The early export of steel is not likely to be easy in view of growing competition and an easing of prices in export markets. Until very recently Australia has not participated in world

exports of steel to any great extent, but as she has produced for many years the lowest priced steel in the world and still does in many lines of steel production, there is every reason to believe that successful competition can be maintained in many world markets.

Not only can Australia produce the cheapest steel in the world but she can produce the highest quality steel and there would be no fear of her not being able to obtain a market for her exports. The report continues:—

The export of steel could range from ingots to semi-finished and some finished steel products depending on market competition. The market should not include iron ore, scrap iron or pig iron, however, as a regular arrangement All these materials are basic to the production of steel and Australia cannot afford to dispose of her iron resources in a form in which she gains relatively little benefit. The present surplus of pig iron clearly emphasizes the fact that Broken Hill Proprietary Company's present ingot steel capacity is out of balance with blast furnace capacity and should be increased to allow this surplus production of pig iron to be converted into steel in Australia and not in overseas countries. It is contended that the capacity of Australia's steel furnaces should immediately build up to a minimum of half a ton or 1,120 lb. of ingot steel per capita per annum or a total of 5 million tons per annum by 1960. In 1939 the ingot capacity of the Broken Hill Proprietary Company was 480 lb. per annum. At the present time it remains at approximately the same figure, namely 500 lb. per annum. Compare these figures with those for Canada. In 1939 Canada's steel plants had an ingot capacity of 360 lb. per annum. In 1952 it exceeded 770 lb. with an actual annual steel consumption at the rate of 825 lb per capita. Further increases in steel production in Canada are planned. Her supplies are still to be supplemented by importations from the United States. Bearing in mind the isolation and smaller population in Australia, it is not unreasonable to plan for a greater capacity per capita than that in Canada. It is accordingly advocated that an immediate start be made to increase Australia's steel capacity to a minimum of $\frac{1}{2}$ ton per capita or a total of 5 million tons per annum by 1960. This expansion essentially involves a doubling of the Broken Hill Proprietary Company's plans for a capacity of 2,366,000 tons of ingot steel in 1954-55. It is interesting to note that in Great Britain the first post-war developmental plan of the British iron and steel industry has just been completed. The aim was:—

To start production progressively on the whole plan within the five years from 1946 to 1950, and to complete it by the middle of 1953, i.e. within about seven and a half years.

(Report of the British Iron and Steel Federation to the Minister of Supply (Cmd. 6811), May, 1946, p. 23).

This plan was completed before the scheduled data and although only planned to increase steel production to a maximum of $15\frac{1}{2}$ million tons, the actual production rose from 12.7

million tons in 1946 to over 16 million tons in 1952. A second plan for modernization and expansion is now in course of preparation to cover the period from the present time to 1957/58.

An outline of the plan was drawn up and submitted to the Minister of Supply at his request in November. Its main features are:—

- a. Demand for steel is estimated at 21 million ingot tons per annum by 1957-58. This estimate is based on consultation with the individual sections of the industry.
- b. Home steel production is therefore to be increased to almost $20\frac{1}{2}$ million ingot tons per annum. This, together with supplies of reusable steel and, if necessary, a marginal import, should enable the requirements to be fully met.
- c. No imports of scrap and pig iron are assumed, and the increase in steel production will be based entirely on pig iron expansion to an output of 15 million tons per annum. Steel capacity will be sufficient to make use of some imported scrap and pig iron if extra output is required.
- d. Emphasis is on the importance of early decisions about the further development of coking coal and ore supplies.
- e. The whole of the increase in coke requirements is to be provided by the expansion of coke ovens at iron and steel works.
- f. Development is to be mainly concentrated at the new sites and plant units established under the first plan. This should enable capacity to be extended at a lower cost per ton of additional output than was possible in the first plan.
- g. The total cost of the second plan is estimated at about £250,000,000 at early 1952 prices."

(Extract from Annual Report, 1952, of the British Iron and Steel Federation.)

It would seem desirable for Australia to follow a similar course and plan for her developmental and defence needs. As it will take at least four years to expand her steel industry further to any appreciable extent, a start should be made now. It must also be remembered that it will be desirable to also build up her fabricating capacity concurrently with steel production. The establishment of a completely integrated steel works at Whyalla in South Australia with a steel ingot capacity of 750,000 to 1,000,000 tons is recommended as a first stage of a greater steel expansion plan for Australia.

Throughout his report Mr. Dickinson emphasizes the importance of the time factor. Part of the report is devoted to an examination of the present steel position in Australia, but I will not refer to that here for I believe members are fully conversant with the need for an increase in our steel production. With regard to the demand for steel in Australia, the Director states:—

The requirements of steel in Australia will depend very much on the rate at which Australia develops her industrial potential. The second world war has taught the lesson that the potential wealth of nations does not depend

so much on the number of inhabitants, but upon the horsepower at their disposal. Handicapped severely by a small population and excessive distances, but endowed with an abundance of natural wealth, Australia has no choice but to build up her horsepower potential and to make full use of all labour-saving devices if she is to safeguard and develop her economy. The growth of agriculture, largely because of Australia's small population and its concentration in capital cities, is in competition with secondary industry for manpower, goods, and services. Whilst it is generally agreed that the expansion of Australian agriculture is probably the most important problem today, it is equally true that the development of the steel industry is vital to secondary industry. On the one hand, it provides materials and machinery to be used directly in agriculture and on the other, the main raw material of Australia's secondary industry. Later on, when Australia's population has increased appreciably, agriculture will not compete with secondary industry. It may be said, without exaggeration, that the expansion of her steel industry is basic to Australia's progress generally.

In Canada, steel production and consumption in the post-war period has been more than double the pre-war level. In recent years consumption has risen more rapidly than production and imports have increased. The trend is still upwards and shown in Table 9. The United States consumption (as distinct from capacity or production) of steel per head of population is already about 50 per cent higher than Canada, and the Canadian figure in turn is nearly 60 per cent higher than Australia. These figures are the crux of the potential demand for steel. If Australia adopts the figure of $\frac{1}{2}$ ton per annum per head of population for the capacity of her steel works for 1960, which is less than the current American consumption of two-thirds of a ton per annum with a capacity of $\frac{3}{4}$ ton per capita, the total steel works capacity to be provided will be 5 million tons. Overseas trends considered in conjunction with defence and development needs and export possibilities do not make this target an unreasonable one for Australia. The expansion of the iron and steel industry in Australia to a total capacity of 5 million tons of ingot steel per year will almost certainly require Government investment. The total investment is of the order of £250 millions, or, say, £30-£40 million per annum. This investment will be additional to that already committed by the Broken Hill Proprietary Company Limited and aimed at increasing Australia's steel capacity to 2.4ms. by 1954-55.

SECURITY CONSIDERATIONS.

A large-scale expansion of the steel industry in Australia from the present capacity of 1.96 million ingot tons to 5 million ingot tons in 1960 will go a long way towards overcoming material shortages which otherwise threaten to impair the long-range economic growth and security of Australia. In the event of war, the demand for most materials would rise abruptly and for some materials, particularly steel, it would reach peaks far above the peace-time level. Over the last five years

peace-time needs for steel have had to be met by large importations. The seriousness of the position cannot be over-emphasized when it is realized that the steel industry probably requires the most time to expand. The recent findings of a special productivity mission to the United States from Britain have recommended that all integrated steel works should aim at a standard size of 750,000 to 1,000,000 tons of ingot steel per annum. This standard size is regarded as an optimum size for high productivity and a low operation cost. Both Newcastle and Port Kembla have reached this stage of development and it is desirable both on economic and strategic grounds that the next major expansions in the steel industry should be located elsewhere. Proximity to coal is no longer the dominant economic factor in deciding sites for new plants.

Mr. Essington Lewis, in his Joseph Fisher lecture, agreed with this statement. The report continues:—

Accessibility to deliveries of ore and nearness to markets have increased in importance and the choice of new sites for steel plants is now influenced much more strongly by political considerations. It is not solely an economic problem to be determined by private interests. In 1941 the Brazil Government established a fully integrated steel works for about 100 million dollars, of which the United States Export-Import Bank loaned 45 million dollars. Its capacity was about 425,000 ingot tons. There are plans now approved to increase this output to more than 1,000,000 tons of ingot steel. In return for high-grade iron ore, the returning iron ore ships bring in metallurgical coal. The Export-Import Bank has also loaned funds to the Brazilian Government for modernizing the railways which carry the iron ore to the coast, and for mining. This principle of iron ore-coal exchange is sound and must be implemented in Australia. A threat to security lies in the exposure to hostile action of the movement of ore or coal by sea, but in Australia alternative movement by rail is possible. The greatest danger to security, however, does not lie in communications or in the disposition of existing plants but in the shortage of steel capacity generally in Australia. Adequate production for military purposes would be almost impossible when it has been clearly shown that the current capacity has been unable to meet all essential civilian needs. If facilities for making iron and steel are expanded at the rate suggested in this report, the danger of a serious shortage of steel for defence will certainly be removed.

IRON ORE RESERVES.

Since the establishment of its iron and steel works at Newcastle in 1915, the Broken Hill Proprietary Company has depended almost exclusively upon the deposits of the Middle Back Ranges in South Australia for its supply of iron ore. The production has come chiefly from one deposit, the Iron Monarch, and during the period 1914 to 1951, this source has yielded approximately 50,000,000 tons. The present level of production is about 3,000,000 tons per annum. The ore contains 60-68 per cent iron, less than 0.1 per cent phosphorous, and from

0-10 per cent manganese. It requires no treatment prior to shipping. Both physically and chemically it is ideal for blast-furnace use and for steel production. Much of the success achieved by the company in producing low-price steel is due to the availability of this low-cost, high-grade iron ore. Unfortunately, the known reserves of the Iron Monarch, according to the recent estimate by the Geological Survey of South Australia (Dr. K. R. Miles, Senior Geologist—"The Geology and Iron Ore Resources of the Middle Back Range Area"—*Geological Survey Bulletin* No. 33, in publication), amount to only 60,000,000 tons; that is, approximately half of this magnificent deposit of iron ore has been removed. At the current rate of production the remainder would disappear in less than 20 years. Elsewhere in the Middleback Ranges the known deposits of high-grade ore are much smaller and are scattered over a distance of 30 miles. Their magnitudes range from 2,000,000 to 30,000,000 tons and collectively they do not appear to be large enough to permit any major increase in production over a long period of time. The Iron Prince and Iron Baron have been worked on a small scale but the others have remained untouched except for a very limited amount of testing work. The total estimated reserves of high-grade ore in these deposits amounts to approximately 120,000,000 tons, or twice that of the Iron Monarch. The reserves of high-grade iron ore in Australia as a whole are now roughly estimated at 275,000,000 tons. They are made up as follows:—

Tons.

| | |
|---|-------------|
| Middleback Ranges and Iron Monarch, South Australia .. | 175,000,000 |
| Cockatoo and Koolan Islands, Western Australia | 100,000,000 |

All these reserves are held by the Broken Hill Proprietary Company Limited. Two other deposits are often included in Australian iron ore reserve statements, namely Koolyanobbing, Western Australia (possible 69,000,000 tons) and Mount Phillip, Queensland (possible 60,000,000 tons), but they are excluded from this summary because the figures quoted are entirely unproven. These two deposits are located over 250 miles from the seaboard and they have not been examined in detail. Production of high-grade ore at Cockatoo Island in Western Australia has recently commenced and shipments to Newcastle and Port Kembla are expected to be at the rate of about 500,000 tons per annum. This ore, however, cannot be delivered at a cost competitive with that of South Australian ore. It involves much higher transportation costs and the ore itself, although of equal chemical purity, has a powdery character and must either be pelletized or blended with South Australian ore to yield a good blast furnace charge. The former is a costly process and requires the installation of sintering or roasting plants at the deposits or in the steel plants. The exploitation of the Yampi Sound deposits will, therefore, saddle the steel industry with a much higher cost raw material. Expanded output from the Western Australian deposits is thus likely to be accompanied by rising costs of iron and steel. Because of the large-scale use and basic importance of steel

and the fact that such an increase in cost can have considerable effects on the country's economy, the high cost of Yampi Sound iron ore raises the question as to what may be the possibilities of exploiting lower grade iron ore, particularly the "taconite" types in the vicinity of the South Australian deposits. The reserves of low-grade ores in Australia have attracted little attention, partly because of the widely accepted but erroneous belief that the reserves of low-cost high-grade iron ore are ample for all times, and partly because of the hold which the Broken Hill Proprietary Company has established over all promising high-grade iron ore deposits.

In the Middleback Ranges there are enormous developments of sediments containing 25-40 per cent iron. A very approximate calculation indicates that there is at least 5 billion tons of iron-bearing material above the level of the plains surrounding the Middleback Ranges. Recent drilling has shown that the unweathered rock contains iron in the form of magnetite which, after fine grinding can be readily separated by magnetic concentration from the silica impurity. Similar material is now being exploited in the United States, particularly in the Lake Superior region, where the decline in production of high-grade ore is being offset by the production from low-grade taconite. The separated magnetite ore contains up to 65 per cent iron and it is formed into small pellets before being introduced to blast furnaces. It has been found that the higher mining and treatment costs of these "taconites" are likely to be largely offset by savings in transportation and in blast furnace costs arising from its excellent smelting properties. Altogether, the cost of pig iron from this source is likely to be only slightly above that of pig iron produced from high-grade ore. Whilst conditions in the United States are not identical with those in Australia, it is possible that low-grade iron ore will also prove economic to exploit in Australia. This development warrants detailed investigation. For the immediate future the high-grade deposits can supply all Australian needs, but the future prospect of using taconites is very encouraging. If these lower grade ores are included, the Australian iron ore reserves are quite substantial for all foreseeable needs. In addition, there are substantial reserves on islands adjoining Australia, to which access should be possible under reciprocal agreement. The fact that additional high-grade reserves cannot be specified at present should not be accepted as reason for the postponement of a greater steel production plan. More intensive exploration and technological discoveries will almost certainly yield the desired results. Mr. Essington Lewis, chairman of directors of the Broken Hill Proprietary Company, emphasized this belief in his presidential address to the Empire Mining Congress.

In explaining his suggestions regarding the financing of such an undertaking Mr. Dickinson said:—

The growth of the iron and steel industry in Australia is limited at present, not by shortages of raw materials and labour, but

by investment funds for the building of new plants. A modern steel plant of one million tons per annum capacity, including coke ovens, blast furnaces and rolling mills, such as is proposed for Whyalla, South Australia, will cost approximately £100 million. To this figure should be added an additional £20,000,000 for working capital, making a total capital requirement of approximately £120,000,000. This expenditure would appear to be beyond the present financial capacity of the Broken Hill Proprietary Company, whose gross shareholders' funds invested in assets amount to about £44,000,000 and whose current net earnings are of the order of £2,000,000 to £3,000,000 per annum. The current expansion programme at Newcastle and Port Kembla when completed about 1957 is likely to cost the company at least £50,000,000, possibly more.

An analysis of the financial statements of the company reveals that this expansion is being financed partly by new share issues (£6,000,000 worth), partly by short-termed debenture loans, partly from profits retained for re-investment in new capital works, and partly by expenditure on new assets of depreciation provisions not immediately required for replacement of plant. This capital investment rate is of the order of £5,000,000 to £10,000,000 per annum. In order to increase Australia's steel capacity to 5 million tons per annum by 1960, firstly by the establishment of a new steel plant at Whyalla and later by another plant, possibly at Bowen in Queensland, as has been suggested in an earlier report, the capital investment in the steel industry must increase by £120,000,000 for the Whyalla plant and possibly £150,000,000 for the Queensland plant.

The director did not suggest in any part of his report that the establishment of a steel works at Whyalla alone would meet the needs of Australia in 1960. He says that Australia will require two steel mills, and he urges that the first be established at Whyalla, and the second in Queensland. I did not see the report in the press, but there was an announcement over the air comparatively recently that the Queensland Minister of Mines was having the possibility of establishing steel works at Bowen fully examined. Mr. Dickinson continued:—

For the Whyalla plant alone the investment rate must be at an average of £15,000,000 to £20,000,000 a year to complete the installation in six years. It is beyond the scope of this report to recommend in detail the amount or kind of assistance needed for the establishment of new steel plants.

That is a strong recommendation which only a Select Committee can fully investigate. The report goes on:—

Bold action is necessary whatever course of action is decided on and it is important to realize at the outset that the expansion desired cannot be achieved without Government finance and without the exercise of a measure of

public control over the activities of the Broken Hill Proprietary Company. With regard to finance, there are a number of alternatives to be considered. In the first place, a higher proportion of Australia's loan funds could be invested in the steel industry. Low cost steel is one of the basic materials needed for an expansion of all industries, primary, secondary, and public services. Government financial assistance to assure that steel shall be produced at the right time and in the right quantity is necessary. Even if the company had funds available, it is most unlikely that it would invest them at anything like the rate the Government would desire for developmental and defence means. Secondly, encouragement could be offered to the United Kingdom to introduce capital into the Australian steel industry. An important factor in Australia's economic development generally is the need to supply more products to world markets. For some years ahead it seems certain that the proposed expansion rate will yield steady supplies of steel for an export trade. The United Kingdom, by buying Australian semi-finished steel at acceptable prices for a period of year, has much to gain. The United Kingdom's dependence on foreign sources for steel could be considerably reduced, if not eliminated, and her own re-equipment and expansion programme modified to allow greater flexibility in her development plans. It is possible that both the United Kingdom Government and British steel interests would welcome an agreement on these lines.

Thirdly, because of the importance of steel to Australia's industrial growth generally, the International Bank for Reconstruction and Development could be approached to provide loan funds. High productivity in Australia cannot be accomplished satisfactorily without an abundance of steel and steel-consuming industries, and one of the main interests of the International Bank is to use its funds for this type of development. Ample steel supplies with a surplus for export will help materially towards building up Australia's foreign exchange which is needed for purchase of equipment abroad and for further international loans for development. Finally, for security reasons the Government may wish to have a high level of steel capacity established to meet high level but generally short-lived defence demands. Because of the importance of Australia to Pacific defence it is possible that the United States Export-Import Bank would be willing to provide funds for new steel developments as a means of increasing the production of essential defence materials to be used in the Pacific defence areas. Even without regard to national security, a strong economic case exists for maintaining steel-making capacity in Australia always well ahead of actual local consumption, but the security aspects make it very essential for the expansion programme outlined herein to be undertaken as speedily as possible.

Added to that, we have the assurance of our Premier that the British Chancellor of the Exchequer said that finance could be made

available from the Old Country. Mr. Dickinson continued:—

As far as South Australia is concerned it has now become obvious that the expansion of iron ore production, without the establishment of steel works at or near the iron ore source, is not in the best interests of the State or the Commonwealth.

We are all fully seized with that fact. There should be no expansion of the steel industry outside South Australia if the raw material comes from Iron Knob. The report continued:—

The production of high-grade iron ore is now approximately 3,000,000 tons per annum. There are sufficient known reserves of high-grade iron ore at Whyalla to supply a new steel plant of 1,000,000 tons capacity for 30 years, and at the same time permit the export from South Australia of 3,000,000 tons per annum to continue for the purpose of supplying the Port Kembla and Newcastle steelworks for the same period. The prospect of new high-grade ore discoveries is not promising but there are enormous tonnages of low-grade "taconites" which in all probability will become commercial ore well within the 30-year period. Until new rich ore deposits are proved or technological developments show clearly that the taconites can be economically used, it would not be desirable to ship more than 3,000,000 tons per annum of high-grade ore from Whyalla. This conclusion is based on the assumption that a steel plant will be built at Whyalla. Details of the promises and assurances given by the directors of the Broken Hill Proprietary Company to establish a steel industry are given in the annual report of the Department of Mines for 1950. The difficulties, in particular "shortages of coal and labour," referred to therein by Mr. Essington Lewis as making it "impossible for any active programme to commence," have now disappeared. The major and only difficulty is finance and it is suggested that the works could be provided on the basis that an export quota would be available to the country or countries who rendered financial assistance. The current decrease in the domestic demand for steel has acted as an incentive already for seeking export markets. Iron and steel are being sent to England, the United States, and other overseas markets. Overseas markets for low-priced steel have always been found to be freely available and with careful planning, added to our natural advantages for steel-making, it should be possible to preserve as well as expand them, despite the probable intense competition from other steel-making countries. If financed from abroad, the establishment of the proposed steelworks at Whyalla should divert only a small portion of local capital and manpower away from other essential development work in Australia. The expansion should be such that the export market remains constant when the domestic market for steel again takes an upward trend. This could be sooner than the company can get additional production from new plants and it is all the more reason why a start should be made immediately on the

building of new steel plants. Expanded production for export can be expected to yield substantial earnings and these in turn to provide finance for further development work.

Then Mr. Dickinson had something to say about the unique position of the B.H.P. Co. in Australia, and it merits consideration by Parliament after the matter has been referred to a Select Committee. He said:—

The Australian steel industry is concentrated in the hands of the Broken Hill Proprietary Company Limited and its associated companies. In a period of a little over 30 years this company has established the largest and one of the most efficient industrial organizations in Australia. Its enterprise and initiative and the fact that it has for many years produced the cheapest steel in the world have given a strong impetus to industrial growth in Australia. The company owns its own mines, its cargo ships and shipyards, and has a number of subsidiary manufacturing companies from whom it absorbs additional profits arising from the distribution of steel and through whom it maintains its connection with consumers. Over the thirty-year period the company developed sources of raw materials for its industries in all States of the Commonwealth and almost certainly the main reason for its low cost steel production is the fact that it is able to assemble them at its steel works at relatively very low cost. Its success in producing low-priced steel depends essentially on this achievement. An approximate distribution of the costs in making steel is given in a table. Whilst very general, they do illustrate some of the important features of the cost of making steel in Australia, the United Kingdom and the United States. In addition to its successful development of efficient steel-making plants and of sources of cheap raw materials, the company has successfully negotiated agreements with two State Governments, those of South Australia and Western Australia, for exclusive rights over all the known high-grade iron ore resources in Australia. These agreements were ratified by State Acts of Parliament in 1938 (South Australia) and 1952 (Western Australia). These State Acts virtually secured to the company for all times complete control of iron ore production in Australia. These agreements are responsible for the unique position which the company holds in Australia, namely the position of a privileged monopolist.

As a consequence of its unique position, the Broken Hill Proprietary Company Limited has the power to exercise complete control over production and distribution of Australian steel, and if it wished to do so, the power to influence price policies.

In the United States of America, enterprises much larger than the Broken Hill Proprietary Company function without any special Act of Congress providing concessions or favours. In fact, current legislation in the United States is aimed at preventing monopoly practices and notably the Sherman Act declares that monopoly control of any industry is illegal in America. Similar legislation may well profit Australian development.

The fact that the Broken Hill Proprietary Company Limited started expansion too late after the war to meet Australia's post-war requirements and because the company cannot be expected to meet defence demands, raises the important question as to how the Governments of the States or Commonwealth; or both, can act to bring about an accelerated expansion of the industry.

The development of the steel industry in Australia is a problem of availability of capital and the exercise of adequate Government control of the industry. Both are necessary to safeguard the public interest in four main directions:—

- (1) to prevent a recurrence of the serious steel shortages experienced in recent years;
- (2) to provide for all times adequate and low-priced steel for all Australia's needs;
- (3) to provide ample steel capacity for coping with the defence need; and
- (4) to establish sufficient capacity for a continuous export trade in steel and steel products.

The director has gone to considerable trouble to draw the attention of Parliament to what he believes to be one of the most outstanding needs for the development of this State. As he points out, these natural resources are in the hands of this company and there is an urgent need for negotiations with the company to ensure that the ore that is mined is treated and used in the State before the supplies are so far depleted as to endanger the possibility of ever securing such an industry in South Australia. His recommendations are so forceful and so fully supported by data and argument that we cannot afford to ignore them. Public interest demands that we give full attention to the report and its recommendations, and the best method of doing so is to have a Select Committee to investigate the matter. This motion has the full endorsement of the Labor Party and the moving of it has been entrusted to me only because the industry happens to be in the district I represent. I hope the Government, in determining its attitude towards it, will remember that it has the full endorsement of the Opposition.

Mr. O'Halloran—Hear, hear!

The Hon. Sir GEORGE JENKINS secured the adjournment of the debate.

CONSTITUTION ACT AMENDMENT BILL (ELECTORAL).

Adjourned debate on second reading.

(Continued from September 2. Page 620.)

Mr. STEPHENS (Port Adelaide)—When I secured permission to continue my remarks on this very important Bill I was dealing with

the action of Parliament a few years ago in making this a five-year Parliament and I pointed out that after the elections which followed it was decided to revert to a three-year Parliament. I said last week that I would provide some figures in connection with representation under the present system, and I will do so now because they are important to all members. What I have to say will interest only those who have some ideas of fairness or justice to the electors. There are 449,630 electors on the House of Assembly roll and there are 39 members in this House. All of these members have one vote because we believe in the policy of one individual, one vote of equal value—and that is all we are demanding for the electors. Every member who casts a vote in this House represents an average of 11,529 persons, so that the votes of electors in excess of that figure have no value whatever. Each member has only one vote irrespective of the number he represents. I represent more than any member of this House: possibly I represent more than all the members opposite at the moment combined (five), I have only one vote, yet they have five. That is what we call democracy!

Consider some of the districts. On the Assembly roll for Torrens there are 17,934 electors. Deducting the average of 11,529 there are 6,405 voters in this district whose vote is of no value in this House. Despite this we say to these people, "You have to go to the poll and vote; if you do not you will be prosecuted for not doing your duty." In the Burnside district 20,786 voters are enrolled, but the votes of 9,257, being the number above the average, have no value. Are the members representing these districts prepared to tell their constituents these facts? Will they say, "I ask you to cast your vote in my favour and to do the right thing, but at the same time when I get in the House by my vote I will render your vote useless?" There are 27,333 citizens enrolled for the Glenelg district, so that in that district 15,804 votes have no value. In the district of Mitcham, which is very conservative, there are 20,276 electors and 8,747 of these exercise a vote of no value. Is the honourable member representing that district prepared to go into his electorate and say, "There are 8,747 of you people who are compelled to cast your votes but your vote is not worth a snap of the finger?"

Mr. Dunks—They seem perfectly satisfied.

Mr. STEPHENS—The honourable member says that the electors are satisfied, but is he

prepared to tell them that their votes are of no value? In the district of Unley there are 17,329 electors on the roll, and if we deduct the average of 11,529 I have referred to, 5,800 of the votes are without any value. Are any of the members referred to prepared to go to their districts and tell the truth to the people? That is all I want. When the people know the truth we know what will happen. Like the cricket umpire they will hold up their finger and the members will then know that that means "Get out," because they are not giving the electors a fair deal. In the Legislative Council the position is even worse. There are 20 members, 10 of whom can prevent any Bill from becoming law. A Bill could be passed unanimously in this House, and yet be defeated in the Legislative Council if 10 members decide to do so. It has been done since I have been a member of this House, and against the wishes of the present Government. As a result, a special meeting of Parliament was called and one or two of the Council members were brought to book and eventually voted in favour of the Bill. I do not know what pressure was used to change their opinion. This legislation is not a Party matter and those favouring it are not fighting for only one Party, but for all the people of South Australia. I see members opposite smiling, but the time is not far distant when they will be put in their places, and unless an alteration is made . . .

The Hon. Sir George Jenkins—We have been hearing that story for 20 years.

Mr. STEPHENS—And you have heard other stories for longer, but the people will not continue to listen to them. I am getting up in years and may not be here when the change is made, but this is the start of a fight that will never finish until we get justice for the people of South Australia, in spite of all that is done by certain people to try to prevent wrongs from being put right. This is something we are fighting for and will be fighting for perhaps for many years, but we will never give up until we succeed. I remember conducting a case in the Industrial Court many years ago and I was told "You will never get a 48-hour week for drivers or a wage of 8s. a day," but we have got that and better. The employers told the judge that if a 48-hour week were awarded the industry would be ruined, but that did not happen. Now we have a 40-hour week and the employers are still living in luxury. The judge told them that if they could not carry on their business with the hours fixed, it would be better for them to get

out, and that is what the public will tell members opposite. If they cannot do the right thing it is better that they should get out and allow democrats to do the work of the State.

Mr. John Clark—They cannot resist the will of the people forever.

Mr. STEPHENS—That is so. For the time being I will deal only with the House of Assembly representation in the metropolitan area. On the Assembly roll there are 279,747 electors, and on the Legislative Council roll 105,000. That means there are 174,000 more on the Assembly roll, and yet certain members in this House have the brazen effrontery and cheek to say to 174,000 of the metropolitan electors, "You are not good enough to vote for the other House and we will not give you full franchise." However, if a war started they would say, "We want you to fight for us, manufacture food and other goods, build bridges and make roads, but you are not worthy of a vote in the Legislative Council, because we are the people who will control you." One honourable member recently told us of what the Liberal Party had done for the public over the years, but I suggest that he read a book entitled "Landmarks in Industrial History" by Townsend Warner. This writer refers to women being harnessed to drag trucks in coal mines and of children under seven years having to work in those mines. When Peel brought the matter forward the employers said, "If you prevent this kind of thing you will ruin us." The same was said about work in the factories. But the people rose and fought against such injustices, and in the near future the people of South Australia will rise against our iniquitous system of Parliamentary elections.

I do not know whether all members are aware of what Sir Samuel Plimsoll did when he sought to protect seamen by providing that ships should not be overloaded. The object was to prevent the loss of many vessels through overloading, with consequent loss of life among seamen. The owners' only objective was to make profits. When Plimsoll brought the matter before Parliament and said "Ye merchants and ye shipowners are the murderers of these men" he was gaoled for contempt, but the people rose in support of his attitude, and the people of South Australia will also rise against our iniquitous electoral system. Plimsoll had to be released and he again brought the matter before Parliament and used the same words, "Ye merchants and ye shipowners are the murderers of these men,"

but on this occasion he was not gaoled and the Bill was passed. Today in every British port where the Union Jack flies the plimsoll mark is to be seen on every vessel. Plimsoll was not a member of the Liberal Union, but a broadminded man who had to fight. When one member was speaking the other day of what the Liberal Union had done it reminded me that this same Party was known in other days as the Conservative Party.

Mr. Dunks—You do not disagree with our being a conservative body?

Mr. STEPHENS—I have been interested in Parliament for many years, but have never yet been able to ascertain what you are. The Liberal Party has changed its name many times. Every time it gets in disfavour with the people there is a further change in name.

Mr. Hutchens—The leopard does not change its spots.

Mr. STEPHENS—And the Labor Party has never changed its name since I have been a member of it.

Mr. Michael—But you have changed your policy many times.

Mr. STEPHENS—We have changed our policy to suit the changing times, but our principles have never been changed. It has always been the same and will always remain the same. It has always been "One person one vote, and one vote one value." Is the honourable member prepared to give every South Australian an equal opportunity to vote and to have a vote of equal value? As soon as a Government member is nailed down he closes up like an oyster and gets one of his colleagues to lay a smoke screen to cover him. In the district of Unley there are 17,329 enrolments for the House of Assembly, but only 6,777 for the Legislative Council. The votes of those not on the Legislative Council roll are of no use if the Legislative Council does not agree to Bills which are passed by the House of Assembly. Would the member for Unley be prepared to go before his constituents and tell them that less than half of them are worthy of a vote in the Legislative Council? In effect, he says to them, "Trust me with your vote, but I will not trust you with a vote for the Legislative Council because you are not worthy. Only people with property and money may have it." I do not know how he can face his electors. Heaven knows I have been cheeky enough in my time, but I would not have the audacity to confront my electors knowing that half of them were deprived of their full franchise.

Not only are members of the Labor Party interested in this matter, but workers, shopkeepers and some employers are concerned.

At the Royal Show I was discussing the position with some people and they have since been forming branches in the country for the purpose of arranging meetings at which someone can fully explain the position and quote relevant figures. In Mitcham there are 20,276 House of Assembly voters, but only 9,006 Legislative Council voters. Would the member for Mitcham be prepared to tell returned men that, although they went overseas and fought for democracy, democracy does not exist here? Returned men are permitted a vote, but those who remained behind to make munitions, and the parents of those who went to fight, are deprived of a vote. Immigrants who may have been responsible for killing some of our own boys can purchase property and so obtain a Legislative Council vote. Money is God to some and they can buy votes because they have it. In Glenelg there are about 27,000 Assembly voters, but only 10,000 on the Legislative Council roll. I am disappointed that all Government metropolitan members, with the exception of you, Mr. Acting Speaker, are absent from the Chamber. It reveals the extent of their interest.

The Hon. C. S. Hincks—They will read *Hansard* tomorrow.

Mr. STEPHENS—They may, but they will read something of more importance when they study the results of the next election and realize that people have recognized their past actions and have put them in their places. In Burnside there are 20,786 Assembly voters, but only 9,222 on the Legislative Council roll. In Torrens the figures are 17,934 and 6,303 respectively. Some members refer to political justice and freedom, but where are they in our electoral set-up? In some other countries people have recognized that they could not obtain justice from their Parliaments and have risen against them. If there is an uprising in South Australia members opposite will be to blame. Are we, as representatives of the electors in our various districts, fair in refusing a large proportion of them the full franchise? We ask for their votes, but refuse them their rights.

Different conditions exist for people outside the metropolitan area, although they are God's own creatures the same as metropolitan inhabitants. The difference is not just, but is designed to give certain people an unfair advantage over others and to keep a certain

class down. The result has been centralization, and if anything will stop the progress of South Australia it is centralization. Some country members do not want an increased population in their districts. They are afraid to have factories established there. The Minister agreed with me some time ago when I said that if water cannot be taken to the factories the factories should be taken to the water. Some of the factories which have been established at Port Adelaide could well have been placed in country areas. It would be good for defence purposes. An additional 5,000 people have been jammed into the Port Adelaide area in the last few years and that is more than the total number of electors in some country districts. Were there an invasion the enemy would only need to drop a few bombs in the metropolitan area to smash all our factories, waterways and railways and render us helpless. Do Government members realize this? They do not want a change and are only concerned with preserving their seats in Parliament. There are 3,660 electors in Frome, 3,998 in Newcastle, 4,336 in Burra and 4,719 in Rocky River, therefore those 16,713 electors are represented by four members, whereas the 17,934 electors in Torrens are represented by only one member.

The Hon. M. McIntosh—Those figures are not so bad as those in Queensland.

Mr. STEPHENS—I expected that sort of interjection, for as soon as an effective point is made by an Opposition member, Government members scramble for cover, but these facts are too plain to be covered. The district of Burnside (20,786 electors), Mitcham (20,276), Unley (17,329), and Glenelg (27,333) are each represented by only one member, yet the 26,015 electors in the districts of Frome, Newcastle, Burra, Rocky River, Young and Eyre are represented by six members. Are metropolitan members willing to tell their constituents the details of this unfair position under which some country electors' votes are worth more than six times some city electors' votes?

The position was bad enough in 1938 when the first election was held under the present undemocratic system, but since then it has deteriorated greatly because of the drift of population from the country to the city. In some country districts the number of electors has been reduced by over 40 per cent, and if this trend continues it will not be long before a few big squatters will be occupying some districts to the exclusion of all other people.

Mr. Heaslip—You should go to the country and see how you get on squatting up there!

Mr. STEPHENS—I have worked in the country, but the difference between some members opposite and myself is that I worked there to keep some country people who were not workers, but I would be prepared to go back there if the necessity arose. In contrast to the falling country population, the numbers of electors in some metropolitan districts have increased by more than 40 per cent, as may be seen from the following table:—

| | 1938. | 1952. | Increase. |
|------------------|--------|--------|-----------|
| Port Adelaide .. | 17,110 | 30,379 | 13,269 |
| Glenelg | 16,028 | 27,333 | 11,305 |
| Burnside | 15,826 | 20,786 | 4,960 |
| Hindmarsh . . . | 17,578 | 23,075 | 5,497 |
| Semaphore . . . | 15,129 | 24,244 | 9,115 |

That table discloses an overall increase of 44,156 in those districts. That increased population should be represented in this House, for, if that number were spread over a certain nine country districts, they would have nine representatives. South Australians cannot be expected to put up with this state of affairs. If we want them to respect and abide by the law, they should be given a more equitable part in the making of it. Government members may hold the wealth, but surely that is no reason why these city electors should be sold body and soul, for we have rid ourselves of slavery and do not want it back again. I feel sorry for some Government members, for I know that, if they vote for the Bill, they will be in trouble with their Party and will be denied pre-selection, or be defeated at the 1956 election which will be held on a democratic basis.

The Hon. M. McIntosh—Then you have nothing to worry about.

Mr. STEPHENS—I am worried not about the possibility of any member losing his seat but about what will happen in this State. I do not threaten but I warn Government members that if the people do not get justice in this place they will get it somewhere else. The people will say, "We will fight for justice until we get it." Members opposite will be responsible for that state of affairs. Labor Party members, the representatives of the people in this State, will fight for democracy. Our lads went overseas to fight for it, and they will fight for it here as well. Government supporters may delay reform simply because of their weight of numbers in this House, or because they have won unwarranted victories, but they cannot delay it forever. We will fight for electoral reform until we get it. There is no more chance of preventing

this reform than of preventing the sun from rising in the morning, for the people are determined to have it. If they can't get it through Parliament they will get it through another way.

Mr. Shannon—What is another way?

Mr. STEPHENS—My way would be to get rid of this undemocratic State Parliament where the privileged classes have the most powerful vote. Let us do away with the State Parliament and have one Parliament to govern Australia.

Mr. Shannon—But what is the other way you were referring to?

Mr. STEPHENS—I say to members opposite, be careful about what you are doing. At the next election the people will say to you:—

Steal not our vote for fear of shame,
For on the roll appears our name;
When you die the Lord will say,
“Where are those votes you stole away?”
And if you say you cannot tell
The Lord will cast you into . . .

I support the Bill.

Mr. MICHAEL (Light)—I oppose the Bill for many reasons. It has been pointed out by previous speakers that the principle of one man one vote is not accepted in most places. The South Australian Labor Party favours it, but the Labor Parties in other States, where Labor has been in power for many years, do not. Further, it has been pointed out by previous speakers that under the present set-up here it would have been possible for the Labor Party to have occupied the Treasury benches had it been possible to offer a policy acceptable to the people. It has previously won seats that it does not hold now. The single electorate system is ideal for State Parliaments. The policies of State Parliaments are largely governed by the policy of the Federal Parliament. For instance, the financial, tariff and defence policies are decided by the Federal Government, and whatever Parties are in power in the States they are largely governed by those policies. There is no necessity to have multiple electorates and proportional representation for the purpose of electing State Parliaments. We deal mostly with domestic matters, such as roads, railways and schools.

Mr. O'Halloran—You wouldn't say education is not important?

Mr. MICHAEL—No, but I am pointing out that South Australian legislative powers are greatly influenced by Federal Parliamentary decisions on the larger issues. Whatever alterations are made in our electoral system, single electorates should be maintained. I believe that the distribution of electorates in

1938 was a fair one, considering the extra work and difficulties involved in giving adequate representation to people living in the country areas. I am prepared to concede that, as the distribution of population has greatly changed, I am not opposed to the matter being considered to come more into line with the 1938 basis.

Mr. O'Halloran—Hear, hear!

Mr. MICHAEL—However, as a result of the good Governments that this State has had I do not think there is any great urgency for that. Has the State suffered as a result of the electoral set-up?

Mr. Davis—Of course!

Mr. MICHAEL—The Labor Party has on several occasions since 1938 fought elections on different policies, but it has not been successful, so it is now hammering at electoral reform. It is unable to find any means by which people have suffered, so it is saying to them “You are being treated unjustly and are not getting fair representation.” If one keeps telling the people they are being treated unjustly in time they begin to believe it. The figures I shall quote will show that our people have not been treated unfairly. South Australia has progressed greatly in comparison with most States.

Mr. John Clark—That has nothing to do with the issue.

Mr. MICHAEL—In July, 1953, the average Savings Bank deposits per head of South Australian population was £152.3. I do not know of any other criterion to show more clearly the real prosperity of the State. The average deposit in Victoria was £135, the second highest in Australia, and the average for the Commonwealth was £108.3. If anyone can quote figures to prove that South Australia is worse off than any other State I shall be pleased to listen. Only one State, Queensland, has a lower basic wage than has South Australia. This shows that the cost of living here compares more than favourably with that in most of the other States. The latest figures of production per head of population are for 1950-51. In South Australia it was £258. The next highest was New South Wales, with £249.

Mr. O'Halloran—Do those figures include wool?

Mr. MICHAEL—They are for total production. I have not obtained the individual items. South Australia does not produce the greatest amount of wool, but proceeds from its sale come into the State and they are spread amongst the people, who get the benefit of it. All Australians have benefited greatly

by our wool earnings. My figures prove that South Australians are better off than people in other States.

Mr. O'Halloran—They would be better off under a Labor Government.

Mr. MICHAEL—It is easy to say that, but it does not look as though people in some of the other States have progressed much under Labor Governments. If the Labor Party is one all over Australia we can say that what has happened in those other States would happen here under a Labor Government. I think the position would drift if we had a Labor Government in South Australia.

Mr. John Clark—You cannot prove that.

Mr. MICHAEL—No member opposite has tried to show that we would be better off. The Opposition adopted the cry that the people are being unjustly treated and it has had some success; if you tell a man a story often enough he will come to believe it.

Mr. Quirke—Your argument is unsound. You can be prosperous under a dictator and still have electoral injustice.

Mr. MICHAEL—Mr. Stephens told us that our people are near slavery and are suffering great injustice because of the electoral position. Mr. John Clark said he thought this subject should not be treated on a Party basis, but the whole Labor campaign at the last elections was fought on electoral reform; then it was certainly nothing but a Party question. He told us a kindergarten story in describing how proportional representation works and referred to two prominent men, but it was nothing but a gibe at two of the greatest statesmen in Australia—Mr. Menzies and Mr. Playford. They are doing wonderful work and will continue to do so whilst they hold their present offices. Mr. Stephens spoke about decentralization, but by no stretch of imagination can I see how decentralization will result from taking from the country half its present Parliamentary representation and doubling the metropolitan representation. There has been a drift from the country to the city in recent years, but that has occurred all over the world. Because of changed conditions in the industrial field people have found it possible to get a living in the city, where there are more amenities than in the country. The policy carried out by the Government is the only way in which we shall get decentralization. There is development in the South-East, as well as in the north.

Mr. Davis—Where?

Mr. MICHAEL—There is the power station at Port Augusta and the works at Whyalla.

Eventually the policy will result in more people living in the country. I have pointed out that there has not been one argument in support of the electoral reform suggested in the Bill. It will not make one person in South Australia happier and I do not think the position of the people will be any better than it is today; it might even be worse. The success of any legislation, particularly that dealing with electoral reform, depends on the living conditions of the people concerned.

Mr. DAVIS (Port Pirie)—I support the Bill, but I realize I am only a voice in the wilderness because the master has spoken for members opposite. Tom Playford has cracked the whip, which means that every obedient servant will vote as he directs. I was astounded when the Premier spoke on this Bill. He took us all over the world, but in doing so he forgot to mention the method of voting adopted by the Eskimos. If he had told us that we would now know something about every voting system. He had a lot to say about the position in France, and he misled members. If he had known the true workings of proportional representation in France he would not have said what he did. There proportional representation does not apply to individual candidates; the list method is adopted. After the electors have decided in favour of a Party, that Party then selects its members. There is no comparison between that system and the system mentioned in the Bill.

It is not democratic for the people to decide in favour of a Party and then for the Party to select its members. The matter should be in the hands of the electors. Members opposite had much to say about one vote one value, but when voting on this Bill they will not be able to vote as they desire. They will do as they have been told, and those who do not abide by the order will be no longer welcome in the Liberal Union. When the Premier spoke he forgot all about customs in this House. Not once did he speak to the Chair. All he did was to look around the Chamber for "Yes" men, and from the grins on the faces of members opposite he had many supporters. I can only liken those grins to the grin of a Cheshire cat. He was pleased to know that he had so many supporters and members opposite were pleased that their Premier was trying to save their political hides. They have the audacity to tell us that one vote one value

is not the proper thing. They spoke of a gerrymander in Queensland, but in that State the Labor Party received a majority over all other Parties of about 41,000 votes. Over the Tory Parties there was a majority of 24,000. In Queensland they have a majority Government, not a minority one like we have here. At the last Senate elections the Labor Party in South Australia secured an overwhelming majority of votes, and that applied also in the last State elections. Members opposite compared the positions in Queensland and South Australia.

The Hon. M. McIntosh—The smallest electorate in Queensland had about 4,000 votes and the largest 23,000.

Mr. DAVIS—A majority Government holds office in Queensland, and I defy any member to refute it. The same thing does not apply here. Our Party had a majority of about 47,000 votes over the Liberal and Country League Party. The electors said they did not want Tom Playford any longer, yet his Party is still in office. The honourable member is not prepared to accept anything democratic.

The Hon. M. McIntosh—Mitcham was not contested, for instance. Does the honourable member think that Mr. Dunks' votes would have been Labor votes?

Mr. DAVIS—Had the seat been contested Labor would have had a still greater majority.

Mr. Shannon—Does the honourable member think the Senate figures were any indication? They are useful figures in South Australia for the honourable member to quote, but not so useful as regards Queensland.

Mr. DAVIS—I am saying that we have a minority Government in South Australia today, but a majority Government in Queensland. Mr. Michael said that the people of Australia did not want a Labor Government, yet there is only one State in the Commonwealth which has not accepted Labor's policy. Even in Victoria, where Labor has not held office for many years, it was returned with an overwhelming majority at the last election. The same thing applied in Western Australia. I suppose that was gerrymandering too! Was Victoria gerrymandered, and if so, by whom? Not by the Labor Party, because it has not held office there for years. In Queensland the Labor Party received 333,801 votes, approximately 53 per cent of the total votes cast, which gives it a perfect right to hold office.

Mr. O'Halloran—But that rule does not apply in this State.

Mr. DAVIS—No, but members opposite are quite happy about it, although they know very

well that the Government's policy is driving people to the metropolitan area, thus worsening the position so far as Labor is concerned.

The Hon. Sir George Jenkins—Has the honourable member heard of Radium Hill and Leigh Creek?

Mr. DAVIS—Did this Government put the ore in the mines? I know the man who discovered Iron Knob and he did not receive even a plug of tobacco for it. This Government can claim no credit for Whyalla or Radium Hill, but only for opening up the mines. It cannot even claim credit for developing Iron Knob because the Broken Hill Company has done that.

The Hon. Sir George Jenkins—Who took the water there?

Mr. DAVIS—I suppose the Minister will say he is responsible for the grass that grows on his huge property up in the north or that the Government was responsible for the last rains. It is rather amusing to hear members opposite talking about what this Government has done. The establishment of the uranium plant at Port Pirie has been referred to this afternoon and I am pleased that it is there. However, before Port Pirie was decided on every other possibility was explored and it only came to Port Pirie because that proved to be the most suitable site. Mr. Geoffrey Clarke attacked our Party and told us of the wonderful things the Liberal Party did in England in the Dark Ages, of the anomalies they removed, and so forth, and in his usual boyish way said:—

Before dealing with the Bill in detail I want to refer to some remarks made by Mr. Lawn today. He said that the Liberal Party was not responsible for any social reforms in the 19th century and that the world had to wait for the birth of the Labor Party before democracy was really achieved. I have no history reference book before me, but offhand I can call to mind some very notable social developments which occurred under Liberal Governments in Great Britain during the 19th century. I remind the honourable member that social conscience on these matters was neither as widely developed nor as enlightened as it is today. Therefore, it is greatly to the credit of the Liberal Party in those days when the reforms were introduced. Even those who suffered from the harsh conditions of the time—and they were harsh—did not appreciate that anything else was their lot. Social conscience was not developed as it is today, yet the Liberal Party in the 19th century abolished slavery, setting a standard for the whole world, abolished rotten boroughs, widened the franchise, introduced penny postage, abolished transportation of criminals, abolished the prohibition against assemblies which stood in the way of the formation of trade unions . . .

What a wonderful thing! To think there was slavery in Great Britain! I would be ashamed to acknowledge that our ancestors ever favoured slavery, yet the member for Burnside claimed that they had achieved something great. I wonder if the honourable member has ever read the book entitled *The Tollpuddle Martyrs*? If so he will realize what really happened in England. He will have found that the people he spoke of were not the Liberal Party of the day, but the Radicals of the times, and they only brought about the reforms he spoke of because of the pressure brought upon them by the people, just as it was the protests of the people of Australia that caused the British Government to cease sending so-called criminals to this country. Many of the people sent here and branded as criminals probably had committed no greater offence than some members here; possibly they were transported to Australia for shooting a rabbit or stealing a loaf of bread when hunger forced them to do so. Yet this member tells us what they did in the nineteenth century when a man had to work for 6s. or 7s. a week. The English Radicals of that time did not try to raise their wages. All they did was to try to justify something for which any man should hang his head in shame for supporting. Anyone not prepared to abolish the conditions that existed in those days was not fit to be called an Englishman. Mr. Clarke went on to say:—

I have had the experience of travelling over the whole of Queensland from Brisbane to the tip of Cape York, a rather unusual experience. I would say that the decentralization which has taken place in that State has occurred in spite of the presence of Labor Governments, and because of the favourable natural conditions available. Queensland has a long sea coast, high rainfall areas, numerous harbours, and a rich hinterland. When one travels in Queensland one does not find the air of contentment which is supposed to exist as the result of decentralization brought about by a paternal Labor Government, because the farther north one goes the more one finds antagonism towards the people in the south. Queensland will never reach economic maturity until the area is divided into two or perhaps three States.

I think the honourable member spilt the beans so far as the Liberal Party is concerned. Mr. Michael told us what had been done to bring about decentralization, yet Mr. Clarke told us that his Party is opposed to it because the Government of Queensland has developed the northern part of that State to encourage people to go there. How happy would the people of this State be if we were able to develop the

northern part of our State or the southern part for that matter—I do not care which so long as we do something to develop the outlying areas so as to encourage people to go there.

Mr. Geoffrey Clarke—For 500 miles in Queensland there is not a settlement of any description.

Mr. DAVIS—I am beginning to think the honourable member did not know where he was because he said he went from Brisbane to Cape York and he spoke of the great development he saw; now he says he saw no development of any description.

Mr. Geoffrey Clarke—I did not say there was great development at Cape York, because there is none.

Mr. DAVIS—Statistics show that there are more people in the country areas in Queensland than in the cities, so how can the honourable member justify his statement. There is encouragement for the people to go into the country in Queensland because they have had Governments prepared to develop the land, and I am not surprised that the people want to divide Queensland into several States because it is a huge area and the development in the north is so great that they desire to build up a city there. In this State, however, people have to travel hundreds of miles to get to the capital city. Why not develop the north of our State?

Mr. Shannon—Has not Port Pirie been developed?

Mr. DAVIS—We will make it the capital city of a new State if you like. This Government is responsible for the establishment of a power station at Port Augusta, but would it be sound policy for any Government to take electricity from Adelaide to the northern part of the State? It is only logical that there should be a power station somewhere in the north.

Mr. Shannon—This Government saw the wisdom of that.

Mr. DAVIS—A two-year old child would realize that, but it will be a waste of money to have electricity available if there are not sufficient people there to use it. That does not apply now. How can the member for Burnside justify his statement that despite the Labor Party there has been decentralization? The Liberal Party is not prepared to develop country areas because it knows it will result in the building up of industrial centres and will thus lose political strength in those areas. I defy members opposite to deny that.

Probably they are prepared to allow Port Pirie, Whyalla or Port Augusta to have another industry because they are already strong Labor centres.

Mr. O'Halloran—They are classified as "safe" areas.

Mr. DAVIS—Yes, but the Liberal Party is not prepared to do anything elsewhere in the country. Members opposite speak about Radium Hill. I admit that the Government has financed the project, but it must be remembered that uranium is of importance to the whole Commonwealth.

Mr. O'Halloran—The Government socialized the mineral deposits there.

Mr. DAVIS—Yes. Did the Government establish the industry at Leigh Creek?

Mr. O'Halloran—They socialized it.

Mr. DAVIS—That was the right thing to do, and the Government did the right thing with the Electricity Trust and in developing Radium Hill, but why should it claim that it put the industry there? The world is crying out for uranium, and I suppose that in the near future it will be used extensively, but I hope it will be used in the right direction. Members on this side say that proportional representation is the only fair and democratic way to deal with elections. In saying that I am not necessarily referring to any system elsewhere. Under that adopted in France the elector has not the right to vote for an individual candidate; but we believe that the proportional representation we advocate is the only fair way of electing candidates. It means that every Party has a chance of representation.

Mr. Geoffrey Clarke—Is proportional representation used in Trades Hall elections?

Mr. DAVIS—Yes.

Mr. Geoffrey Clarke—All of them?

Mr. DAVIS—No; it is not necessary. The honourable member does not know much about it. If we used that method groups in the movement would be necessary.

Mr. Geoffrey Clarke—Is it one vote one value?

Mr. DAVIS—Absolutely. Every individual in the Labor movement has a vote.

Mr. Geoffrey Clarke—Do you use the card vote on every occasion?

Mr. DAVIS—No. I will supply the honourable member with a card if he so desires and this will fully explain the position.

Mr. Geoffrey Clarke—You do not have a card vote as a right.

Mr. DAVIS—Yes we do. Under proportional representation we could have three parties or probably four.

Mr. Shannon—Why not five?

Mr. DAVIS—We could have five and it would be possible for each to have a representative in this House. It is the only true democratic method of electing candidates. Under our present system of voting a Party could get 51 per cent of the votes with all its candidates elected, and the people represented by the other 49 per cent with no representation. Under proportional representation that could not happen. No vote should be wasted, provided that a candidate gets his quota of votes.

Mr. Shannon—Your Party altered the Federal electoral system and provided for single electorates.

Mr. DAVIS—The divisions are, as near as possible, of equal value. You do not have 70,000 or 80,000 in one division and only about 4,000 or 5,000 in another.

Mr. Shannon—Even your own Federal Party is not very happy about what happened in the Senate.

Mr. DAVIS—We were democratic and introduced the system so that everyone would be represented in the Senate. Happily for your Party, it has representation there today. But for that system it would have been almost swamped at the last election, and would not have been in a very happy position in the Senate. You are not prepared to accept the application in the State of something which gave your Party representation in the National Parliament. Why the difference? Can members opposite say why they favour the system in the Federal sphere, but object to it for the election of this House?

Mr. Shannon—Why did the Federal Labor Party provide for proportional representation for the Senate, and leave the House of Representatives as it was?

Mr. DAVIS—I did not think the honourable member was so stupid as to ask such a question.

Mr. Shannon—You are just dodging the issue.

Mr. DAVIS—I am not.

Mr. Shannon—To be consistent, proportional representation should have applied to the House of Representatives just as it is to the Senate.

Mr. Davis—You cannot have proportional representation unless there are a number of candidates.

The Hon. M. McIntosh—Why did the great Australian Labor Party in New South Wales do away with proportional representation?

Mr. DAVIS—I do not know anything about New South Wales. The Australian Labor Party is the only democratic Party in Australia. We are here every day to represent the mass of the people and not the capitalistic class. The trouble with members opposite is that they are not concerned about the masses, but only the ruling class. Isn't it wonderful to think that the Liberal Party in England abolished slavery, and now members opposite have the audacity to say that they are members of the Liberal Party because their Party in England did something? The member for Light said that the Labor Party had changed its policy. We are a progressive Party, and if we see that something will be for the good of the people we have a perfect right to alter our policy. In such circumstances I would support such an alteration. The name of my Party has not changed, and it was adopted before slavery was abolished.

The Hon. M. McIntosh—Three districts in Western Australia of less than 1,000 electors each are all held by Labor representatives.

Mr. DAVIS—The honourable member should not talk about the number of electors in any district because he has only a handful in his own district—

The Hon. M. McIntosh—It has double the number in Frome and 50 per cent more than the district formerly held by the ex-Leader of the Opposition.

Mr. DAVIS—The Government has probably made it easy for the Leader of the Opposition because it is realized that he is overworked.

The Hon. M. McIntosh—Any system that put him out would be wrong!

Mr. DAVIS—If the system we suggest were adopted the Leader of the Opposition would be sitting on the opposite side of this House. We believe that the will of the people should prevail and that there should not be minority rule. I hope Government members will realize the injustice that operates at present and give people an opportunity of full representation on an equal basis. I support the Bill.

Mr. DUNKS (Mitcham)—It is a long time since I have listened to a debate which has caused so much noise but which should be viewed dispassionately. I do not think this matter is saturated with Party politics and there is no need for annoyance and numerous interjections. I do not believe, just because I belong to the Liberal Party, that I must agree with everything my Leader or other members of my Party suggest. If I thought

I was tied in the direction suggested by some members I would not want to be a member of Parliament. One of the principles of the Liberal Party is that a man elected to Parliament should uphold the traditions of a free, deliberative assembly and be responsible only to those who elect him. Members should realize that on many occasions Government supporters have crossed the floor of the House and voted against certain proposals suggested by their Leader and I remind members that many Government members voted against the acquisition of the Electricity Supply Company.

Mr. O'Halloran—We would like to know what section was right.

Mr. DUNKS—I am not going to argue that but will try to keep, if possible, within the precincts of this debate. I think there is some justification for an examination of the electoral position but I do not agree with the proposal in the Bill for something which is contrary to anything that has ever been accepted in this State, with the re-introduction of multiple electorates, and its natural corollary, proportional representation. I believe that the Labor Party, after its defeat at the last election, has returned with the intention of attempting to carry out what its Leader said in his policy speech. If the election had gone a little differently the Opposition, with increased numbers, would have been on this side of the House and we would have been in Opposition. It was a close election.

In latter years it has been the definite policy of both Parties in election campaigns to feature their Leaders, and reference has been made to that practice. The Liberal Party announced its policy and featured the Premier with a photograph that did him credit. Results have proved that our policy was acceptable to the people and there was a return of a Liberal Government. Let us examine the propaganda of the Labor Party. It featured a beautiful photograph of the Leader of the Opposition, with a number of his arguments and a statement of his policy and what he would do if returned to power. The Labor Party did something which I think was slightly out of order. It published a photograph of the Hon. Thomas Playford which did not do him credit. I do not know how they were able to retouch it and do what they did with it, for it was not a true portrait of him. However, his policy appealed to the people more than the policy of the Leader of the Opposition.

Mr. Jennings—Why did a majority vote against him?

Mr. DUNKS—I shall not be persuaded to argue about the number that voted for one Party *en bloc*, and the number that voted for the other Party, when many districts were not contested, some of them very large districts. There are about 18,000 people in the Mitcham district but they did not have an opportunity to vote.

Mr. O'Halloran—Nor did the people in Hindmarsh or Thebarton.

Mr. DUNKS—No. I am not cognisant of the figures because I have not studied them as I do not think they matter. Under the proposal, all the electors would vote for a certain number of candidates, and then it would be obvious which Party had the majority. This afternoon we were told that when our master speaks we are all silent, and that when he says "when I speak let no dog bark." I think the same thing happens on both sides of the House. If there is any truth in those sayings it is certainly more true of the Opposition than of the Government Party. On many occasions Government members, because they do not consider legislation in the best interests of South Australia, have voted against their Leader and Party. Would the Labor Party followers be prepared to do that when their master had spoken? I think not. I cannot understand the Labor Party advocating proportional representation: I will not agree to it because I believe in the Party system. I do not understand why the Labor Party has concluded that the only way it can get a representative Government in South Australia is to introduce proportional representation. I suggest it is a vote of no confidence in itself because if it wants to control the destinies of this State the last thing it should consider is an increase in the number of Independents, or the election of members of other Parties, which can happen with proportional representation. It has been repeatedly shown that it is possible, and probable, for the Labor Party to be returned to power under the present system, which suits the people of South Australia admirably, as has been demonstrated over the years. The member for Burnside made an excellent contribution by referring to what happened in 1938, and what could have happened if all the seats that had previously been won by Labor in Liberal electorates had been won again. I ask leave to continue my remarks.

Leave granted; debate adjourned.

Sitting suspended from 6 to 7.30 p.m.

CONSTITUTION ACT AMENDMENT BILL (MINISTERS).

Adjourned debate on second reading.

(Continued from September 15. Page 655.)

Mr. HUTCHENS (Hindmarsh)—I support the Bill, the main purpose of which is to provide for the appointment and the payment of the salaries of two additional Ministers. I regard the introduction of the Bill as something of an accident, for, although I believe it will give Parliament a better opportunity to function as it should, I am surprised to find the Playford Government taking steps to make that possible. On perusing *Hansard* I was amazed to find that a similar measure was introduced by a Labor Government in 1930 and opposed by a Liberal Opposition, but on this occasion South Australians will find in the Labor Opposition a greater appreciation of the needs of this State. In saying that he believed all members were imbued with the spirit of honesty and integrity, the member for Stirling made a remark very similar to one that I made in the Address-in-Reply debate. I agree to an extent that all members, irrespective of their positions in this House, are sincere in their efforts for the cause they serve, although the capacity of certain members may be less than that of others. This Parliament may be likened to a tropical jungle. The Labor Party reaching towards its high ideals, are the trees, the Liberal and Country League the strangle vines, and the Independents the mistletoe.

The Hon. M. McIntosh—That is a parasite.

Mr. HUTCHENS—I am not sorry the Minister interjected. When the history of this State is written, this Bill will be known as a bobby-dazzler and a good thing for the democratic State. Its pedigree could be said to be "Out of Misjudgment by Freak." The Hon. T. Playford, the gerrymander Premier who introduced this measure, could be described as one who, although suffering illness, possesses extraordinary physical capacity and a memory which amazes most people, yet can so easily forget; humble, yet possessing a peculiar vanity; an ungroomed glamour boy hard to catch but easy to meet, a rare specimen. For many years he has skilfully adopted the technique of a sideshowman whose puppets dance according to the way he pulls the strings. Those puppets are encased in a gerrymander fabric that makes them almost insensitive to the voice of the people. Many South Australians, soothed by the music of his voice, see in him a wonder man, yet only last evening in this House one of his supporters confessed that his leader

was failing in health, and I believe that he is losing his grip and intends to attract more public attention by creating further puppets.

There has been much speculation as to who the additional Ministers will be and during this debate it has been noticeable that some Government members are bidding for the prize. Last evening we had evidence of that from the member for Flinders, who was undoubtedly trying to displace the Minister of Agriculture. Indeed, he almost referred to the Minister as a puppet, saying that it was not the Minister's tooth but his head that was too long. Mr. Pearson received assistance from the member for Gawler, who said, "He has been too long in office," and I knew from the expression on Mr. Pearson's face that that was the very thing he was trying to express.

The Hon. Sir George Jenkins—That is your interpretation.

Mr. HUTCHENS—Yes, and I believe it is correct. I am confident that the bigger the Ministry the greater the possibility that we will get strong men with the courage of their convictions to stand up under a code of decency against the dictatorial attitude adopted by the leader of the one-man band in this House. Much has been said about the alleged control of the Labor Party by Caucus, but I point out that the Liberal and Country League appoints its Ministers in an undemocratic way by entrusting that task to one man, who gives preference to those who will not try to displace him. On the other hand, the Labor Party, being democratic, finds it convenient and correct to allow its elected members of Parliament to appoint its Ministry. I have no personal complaints against any of the Ministers, but Labor members retain the right to differ with them on policy. The Playford Government has been so long protected by an unfair electoral system that it has seen fit to deny the people their right to question the operation of certain projects, some of which have been entrusted to boards and committees and mis-handled. Although they are the elected representatives of the people, members are unable to question Ministers with regard to certain authorities such as the Housing Trust, which is responsible for a matter dear to the hearts of our people—their housing. There has never been an official Minister of Housing in this House, although, whenever a favourable statement on its operations is available, a Minister is always prepared to publicize its activities. I trust that the appointment of the additional

Ministers will give members a greater opportunity to ask questions on these important matters.

This Government has developed certain projects because of the inability of private enterprise to run them for the benefit of the people, and under a Labor Government these could be properly conducted as Socialistic enterprises. Like the member for Semaphore I would support the appointment of even more Ministers. Private members are worked to a degree to which no other section of the population is subjected, and their duties are so taxing that there is room for more members so that the people may be represented more efficiently and effectively. Every member does his best, but in doing so his strength is often overtaxed. A Minister's duties must of necessity be more tiring and difficult than those of a private member, and we should do everything possible to see that the strength of our Ministers is not overtaxed. The only forcible argument from the Government in favour of the appointment of the additional Ministers was advanced by sign rather than word when the Premier, in introducing the Bill, took an unduly long time to present his case. Obviously there was no need for it, for it has long been the policy of the Labor Party to appoint two additional Ministers. No-one knows better than the Premier that once the Labor Party gives its word it will abide by it: its word is its bond. However, the Ministers, without the aid of the Premier, soon become exhausted, and as a result they were not able to prepare matter to keep the House going, so the capable Premier had to keep it going with volumes of words in order to cover up his Minister's weaknesses.

I am disappointed that two Independent members opposed the Bill. It is easy for them to oppose such legislation because they know they will never have to accept the responsibility of the Treasury benches. Therefore they carry on like the little boy at the beach who cannot build a sand castle himself and tries to break up all the castles other boys have constructed. I have often wondered what Cleveland meant when he said:—

The ship of democracy, which has weathered all storms, may sink through the mutiny of those on board.

Having heard the members for Stanley and Chaffey I am at last aware of what Cleveland meant. Before making the remarks they did they should have taken more thought, for the member for Stanley was only consistent in his inconsistency. He said he would like to see the Government show how it can build 1953

roads with 1939 money, but I have often heard him talk about the issue of credit. If his arguments on that matter were sound he did not show it on this occasion. We should certainly pay more attention to our roads. Their bad state was made most noticeable recently when a motor reliability trial was held.

The Hon. M. McIntosh—The competitors lost most points in New South Wales, where the roads are the responsibility of a Labor Government.

Mr. HUTCHENS—The Government here would lose many points if the people were able to give their verdict by a democratic method of election.

Mr. Fletcher—You have never been off the bitumen.

Mr. HUTCHENS—I will take a trip to Mount Gambier during the next State election campaign to see if there are bitumen roads down there. The honourable member must appreciate that he got the roughest ride of his political career when I was in his district during the recent campaign. During the war many new roads were constructed. For instance, a bitumen highway was laid between Alice Springs and Darwin, and another between Tennant Creek and Mount Isa. They were constructed when the country was meeting a war expenditure of £2,790,000,000, and they were built for war purposes. What is necessary in war is surely necessary in peace. If we are to have transportation to assist our primary producers to meet the world's needs we shall have to provide better roads. Like many other members, including the member for Gawler, I feel very strongly about the question of education. Although we have no assurances on the point, I hope that the Minister of Education will be a member of this House, for education matters are close to the people. The members of this House are far closer to the people than those of another place. Constituents usually approach their House of Assembly member on matters of education. I trust that the appointment of two extra Ministers will break down the barrier between the people and the various Government departments. I support the Bill in the hope that as a result of its passing this House will be able to function as it should.

Mr. DUNSTAN (Norwood)—I support the Bill. I, too, was interested in the remarks of the member for Flinders when he said members of this House serve the people as best they can. I am certain all members attempt to serve the people, though I am convinced

that members opposite do it in their own way, while we on this side do it in the people's way. I confess, with all due modesty, to not being burdened with that vast experience of public affairs with which 15 years of public life in Monarto South have equipped the member for Murray, but anyone with half an eye can see that something is wrong with our Education Department. It is like the state of Denmark: there is something very rotten in it somewhere. I do not know whether the Minister is responsible for this, but, if not, it is the policy of the Government that is at fault. The new Minister of Education will face an enormous problem, for the Education Department is in a most parlous condition. Many school buildings are quite out of date. Members who have paid attention to the schools in their district know that practically all schools except the newest have many temporary buildings, and there are no adequate plans to accommodate our steadily increasing primary school population. The Premier stated we have, in proportion to population, the largest influx of primary school children of any State, but no provision has been made to meet it. The lack of trained teachers is appalling, but this is not a new problem. The attention of the Government has been called to it time and time again over the last 10 years.

In 1944 the teachers' organizations drew attention to the necessity for plans to cope with the added school population. The programme in Great Britain was cited, but the Government did nothing. In 1945 the organization again appealed to the Ministry for plans to meet the shortage of teachers. An inquiry committee supported that demand, but apparently again nothing was done. In 1947 the organization made a vigorous appeal, and in July of that year it published in its journal a cartoon that all members should have seen. It showed an ancient and decrepit taxicab labelled "Education Department" attracting a couple of tottering old ladies, while all youthful people were rushing to a streamlined omnibus labelled "Streamlined Industrial Inducements." Apparently some inkling of what was happening filtered through to the Minister, for in the Governor's Speech of that year we had a promise of a plan to double the number of teacher-students in training. In that year the number of trainees was 463, but at the opening of the college this year there were only 440, 23 less than five years ago when it was planned to double the number. Why? The Premier advanced the excuse that this:

was a claimant State for Commonwealth grants and that consequently our services are measured against those of the non-claimant States. He pointed out that some of the non-claimant States offer less to teacher trainees than we. That may be so, but one of the non-claimant States offers more, and Western Australia, which is also a claimant State, with a smaller population, has 800 trainees at the moment. Why cannot we do what Western Australia can? If we do not increase our teacher trainees the department will steadily run down hill. The machine will keep going for awhile, but signs of its cracking up are becoming increasingly obvious.

I have had complaints from teachers in my district of the strain that has been placed upon them by the employment of temporary teachers. Some of them are not able to cope adequately with the colossal strain. I am sure other members have received similar complaints. There can be no excuse for the lack of action by the Government on this matter. I hope the new Minister of Education will remedy the position immediately so that the department will not break down through lack of sufficient trained teachers. The parents will not be impressed with the excuse that South Australia is a claimant State under the Grants Commission.

Mr. DUNKS (Mitcham)—It has been said that some members on this side are nervous about taking part in the debate because of the vacancies likely to be available in the Ministry, but some will speak, and I am delighted to do so. For the sake of regularity let me indicate what the Bill sets out to do. It is fairly simple; it increases the number of Ministers from six to eight, and also increases the amount of money to be divided amongst them. The Opposition on many occasions—I am not sure whether it was said in a policy speech—has said that more Ministers should be appointed. In recent years several motions have been before Parliament asking for Ministers to be appointed to directly handle certain matters. I support the present proposal because the present Ministers are overworked. It is almost impossible for a group of men to work together year after year without one or more being laid aside for a time through illness and not being able to carry on. Again, when one of them is absent from the State another has to take over his duties. Our Ministers hold numerous portfolios necessitating much work. They must attend Executive Council meetings and make

decisions in the best interests of the State. If those decisions are wrong they are held against them. Sometimes they are criticized for lack of activity. One member said that Ministers have not managed properly the projects before them. I will examine that matter later. I shall deal now with Ministers being overworked. Not long ago I read in an English paper that Ministers and members of Parliament there were giving up political life because of the tremendous amount of work expected of them. Ministers had found their tasks too big and wanted to give up the life because of a breakdown in health. Here they are expected to go to all sorts of functions, such as opening fetes, shows and race meetings.

Mr. Davis—Don't ordinary members do that?

Mr. DUNKS—I am not talking about ordinary members, as they are not mentioned in the Bill. The English paper went on to say that if Gladstone, Disraeli or Pitt, or some of the other old Prime Ministers of England could look at things today they would say "No thank you, I don't want to be a Minister of the Crown." In their day there were no pressure politics; Cabinet practically decided everything. They would not have considered it advisable to attend functions all over the country because the people wanted them to do so. Our Ministers are so loyal and interested in their work that they are willing to go all over the place. In these days of air travel there is a heavy toll on their physique. It is not unusual for our Premier to go to Melbourne, Sydney or Canberra by aeroplane, say, tonight and be back in the House the day after tomorrow. After some of his trips he looks very tired. In the old days a Minister travelling like this would go to his home for a rest, but our Ministers are willing to come to Parliament and carry on with their work. Let us have a look at the work Ministers do in these days. Our housing programme is different from what it was 20 years ago. Housing is an important part of government and Ministers collectively, and the Premier in particular, spend much time on it. Does anyone imagine that looking after our uranium project is not almost a full-time job for the Premier? Ministers are criticized for neglecting projects, but they give much time to them. The Premier is responsible for price control, despite the fact that we have a Prices Commissioner. The Minister of Agriculture has to look after the dried fruits industry, the dairy-ing industry, and in particular the milk supply for the metropolitan area.

Mr. O'Halloran—And the fruit fly.

Mr. DUNKS—Yes, and I was hoping that someone would mention the Potato Board. There are many matters to be attended to. They were not in existence when I came into this House. The Premier has to look after electricity manufacture and reticulation.

Mr. O'Halloran—I thought that was the prerogative of the Minister of Works.

Mr. DUNKS—If it is, the Premier gives him great assistance. After all, the Premier brought into existence the Electricity Trust. Although I did not agree with him at the time, I give him much credit for what he has done since he took over the project. He has shown untiring energy in connection with our uranium deposits, the Leigh Creek coalfield, the Port Augusta power station, to say nothing of the many other projects he controls. Then there are the Whyalla water scheme and the Mannum-Adelaide pipeline. These are under the control of the Minister of Works. The Premier has given members the opportunity to visit Leigh Creek and Radium Hill, and the Minister of Works will not hesitate to take members on a visit to his projects at the opportune time. I imagine that when the Mannum-Adelaide pipeline is completed members will be given the opportunity to inspect the work. I agree with Mr. Hutchens about education. I think the new Minister of Education should be in the Assembly. Education is an important subject, and, besides large sums of loan money, about £6,500,000 is spent on it each year. The present Minister has done a good job, and it must be remembered that he is also Attorney-General. The building of schools and attending to the education of children has been done effectively. I regret that members should suggest that Ministers are negligent in their work and not making a success of projects.

The Minister of Lands has been subjected to more criticism than any other Minister, but he is a gentleman who is at all times anxious to do what he can for everybody. From time to time I have introduced people to him when I considered they had a right to get a block of land. He listened to their stories and was sympathetic, but it is impossible for people to get all they want and sometimes he had to say "I am sorry but I cannot do anything." I say without fear of contradiction that his sympathies are with every man who goes to see him. The Chief Secretary looks after hospitals, and when the Estimates are dealt with members can readily see the great progress

in providing accommodation not only at public but community hospitals. I appreciate the great interest taken by him in community hospitals. Three or four members have approached him about them, and probably Mr. Tapping was the leader of the band. He put a proposition to the Minister which he thought could not be carried out, but it has proved a huge success. No doubt Mr. Tapping is surprised at the way the hospital is functioning. The next was the Glenelg Hospital which, I think, the Government Whip was largely responsible for bringing about. He also had something to do with the Ashford Hospital, which last year made a profit of £2,000 in addition to constructing a nurses' home costing £15,000. Is that an illustration that our Ministers are not giving the encouragement they should, or that they are neglecting their work? I suggest it is the opposite. Mr. Geoffrey Clarke reminds me of the great round of social events they attend, and as I mentioned earlier, this is something they should strive to reduce to a minimum. They have been doing a little too much and in the interests of their health I think they should take the stand that they must give more attention to the work of their departments and refuse some of the invitations to go into the various districts.

The Minister of Agriculture holds two portfolios. Imagine the worry that the discovery of the fruit fly in South Australia must have caused the Minister, and on top of that to find that compensation had to be paid to people because they had lost some fruit or trees or hedges as the result of spraying. It required a big man to make up his mind and come to this House and convince members that people who had lost a little fruit should be paid compensation. During Royal Show week I met two ladies down from the country at a meeting at Bonython Hall and I was very interested in something they said about the Minister—"Sir George is a darling because of the way he has looked after country women and encouraged the Rural Youth Movement throughout the State." I pass it on to him for what it is worth. We have been told from time to time that we are dominated by the Leader of our Party. Somebody referred to us as "whistle-tootlers." I took it to mean one who runs behind the drum and whistles, but I assure this House that, far from being whistle-tootlers, members of our Party are free to express their own opinions. However, we have such great admiration for our leader that we are prepared on very many occasions to

do him the honour of conceding that he knows more about things in general relating to the State than we know ourselves. I hope that Opposition members, when their Leader tries to lead them, will have sense enough to admit that he knows more about things generally than they do and be prepared to follow him. We have been told that Ministers cannot give an answer to a request until they have consulted their Leader, but I do not believe that. Each of our Ministers has a responsibility of his own, and knowing what I do of their activities—and I have had quite a lot to do with them—I say that they could not carry on their jobs unless they understood them. I have taken deputations to the Ministers, and have spoken on behalf of my constituents, and almost invariably the Ministers have been able to give the answers. Even so, the Ministers have such faith in their Leader that they often want to confer with him before making a decision. Those who have had any experience in industry know that it is not an unusual thing for the man at the top to be looked up to. The faith the staff has in the management counts for a lot, and in many cases they are loath to make a decision until they consult the man they consider has more ability than they have, and who knows more of what is happening. This Ministry is not controlled by one man and I do not think for one moment that the Ministers are supine. They are capable of carrying out their work and if there is one thing which probably causes them to confer on most occasions with their Leader, it is the fact that they want his opinion before they themselves announce decisions on important matters.

I refer to the Premier in particular for, as everyone knows, he is always approachable. In times past if a deputation wished to wait on the Premier or any other Minister it was a case of asking another member of Parliament to make the arrangements, but that is not necessary today. People who wish to discuss something with the Minister very often ring simply his secretary and ask for an appointment, and the Minister usually agrees without any hesitation. That was almost unknown 30 years ago, and I think even today it would be almost impossible in Britain. I have not been happy for years about the strong country representation in Cabinet. This State has grown very much industrially and commercially in the last 20 or 30 years, and the time is long overdue when we should have commercial and industrial men in Cabinet.

Mr. O'Halloran—Does the honourable member think that if there were a city man in Cabinet primary industries might get a chance?

Mr. DUNKS—It appears that I have the Leader of the Opposition with me for once. I merely throw it out as a suggestion, for we are not like the Labor Party which holds exhaustive ballots to fill these positions.

Mr. Davis—We are democratic. Yours is a one-man show.

Mr. DUNKS—I will not subscribe to that. We elect our Leader and choose a man in whom we have so much faith that we give him a free hand to select his Cabinet. I hope the Premier will take cognisance of what I have suggested. I place much emphasis on the fact that representatives of the commercial and industrial life of the community in the Cabinet would be an advantage both to Cabinet itself and the State as a whole. I have much pleasure in supporting the Bill. I wish the best to those who may be selected for these important positions and feel certain that it will be a very great advantage to the State and a great relief to the present Ministers, so few in number who carry on such a vast amount of work.

Mr. DUNNAGE (Unley)—I support the Bill and congratulate all those who have spoken on it. I was interested in the remarks of Mr. Hutchens, especially his opinion that the Minister of Education should come into this House, and with which I heartily agree. I remember vividly the first occasion upon which I spoke in this House suggesting that there should be a Minister responsible for education alone, and that our Speaker should be that Minister. I did not get much support then, but I still have the same view. Despite all that has been said by our friends opposite I congratulate the Government on the great work it has done. Our Leader particularly has done marvellous work in the community, and when members look back over the record of service of this Ministry and those associated with it it seems amazing that such service could have been given for such a long period. Our Party gave the Premier a special dinner following the election, something I do not expect will ever happen in the Opposition, for they will never have enough confidence in their Leader to allow him to stay in that office very long. I look back on that occasion with great pleasure for I had quite a bit to do with it. Our Leader is at this moment returning from a conference which he attended last night in Melbourne. He left the day before, he has been there all day

today and now he is on his way back, all the time working in the interests of the State—and all this on the lowest salary of any Premier in Australia. I deprecate the fact that he should be in that position. Like Mr. Dunks, I want to draw attention to one of two things for which the Premier is responsible. As well as being Premier he is Treasurer, Minister of Immigration, Minister of Industry and Employment, as well as Minister in charge of housing and a few other things. As chairman of the Industries Development Committee I suppose I have had more to do with the Premier than the average member. I have been astounded at the amazing amount of work he does on behalf of the community. He often comes before my committee and tells it of the different things he is doing and expects to do. There is no doubt that he has been responsible for some of the biggest industries that have come to this State. One of these is the pyrites industry now taking shape at Nairne, which is the result of the co-operation of the Premier and his Cabinet, who have done so much to assist him. This industry and its associated industries which will be developed around it will employ up to 500 men at Nairne. It will result in farmers getting superphosphate at a reasonable rate. One of the leading cement works in South Australia has been developed largely at the Premier's instigation. We have heard the criticism that there is not sufficient cement in the State, but time and again the Premier has told Parliament that shortly we shall have all the cement required.

Mr. Macgillivray—He told us that a couple of years ago.

Mr. DUNNAGE—It was done with the best of intentions. As a result of the co-operation of the Premier and his Cabinet this big industry is being developed. I pay the Premier a high tribute for his efforts in this direction. I could also tell the House of other important industries for which he has been responsible. There is no-one I admire more. Another Minister who has been unfairly criticized is the Minister of Works, who holds the record for the longest term of any Minister of the Crown in Australia. Members opposite are on his doorstep almost daily trying to get him to do something for their district. I have always found him very co-operative, and he has given my district a very good crack of the whip; I have no complaints. It is doubtful whether we will ever see another Minister who has given such long service to his State. The Chief Secretary has also rendered South Australia a wonderful service, particularly in

connection with our hospitals. He is held in high esteem throughout the State. I congratulate all the other Ministers on the work they have done and are prepared to go on doing. There has been much criticism regarding education. When he says that education in South Australia is on the down grade the member for Norwood does not know what he is talking about. When I came into this House about 12 years ago the State was spending about £1,000,000 a year on education, but that sum has been extended to more than £6,000,000. One can see new schools in numerous suburbs. When a member says that the State has done nothing about schools or teachers it shows how little he knows about the situation. On West Terrace we have one of the finest schools in Australia. This also applies to Whyalla and Mount Gambier. A big school is now being erected at Mitcham and there is also a new technical high school being provided at Norwood. It little behoves anyone to criticize the Minister of Education. I hope that, as has been suggested, there will be a Minister of Roads and Local Government, but whether that will eventuate remains to be seen. The Minister in charge of roads should not only be provided with sufficient money but have a free hand to develop roads throughout the State. When travelling through the country I am somewhat appalled at the condition of some of them. I know that very good main roads are provided to Port Augusta, Port Pirie and Murray Bridge, but as soon as one gets off the bitumen roads he is confronted with many roads below standard. I do not say that that is the fault of the present Minister. It is the outcome of a long period of war and a shortage of men and materials. Gradually this position will be improved.

Mr. Lawn—You will be able to fix that when you become Minister of Roads.

Mr. DUNNAGE—I do not suppose I will ever fill that office. I hope that when a Minister of Roads is appointed he will travel widely throughout the State and study the condition of our roads. Our farmers are asked to grow more produce. If we give them better roads they will have an incentive to increase production. Roads provide a big problem, not only in the metropolitan area but also in the country. I often wonder how anyone can expect councils to carry on their road programme with the small assistance they receive from the Government, which I am not criticizing in saying that. Many councils are not prepared to increase their rates or assessments to enable them to improve their roads.

Mr. Davis—They are taxed to the limit now.

Mr. DUNNAGE—I doubt whether that is correct. My district increased its rates to a high figure, but despite that I consider I am considerably under-rated, and I have said so at meetings of the Unley Council. I suggest to the honourable member that in such a prosperous town at Port Pirie there should be a new assessment. Despite the fact that Unley has increased its rate, it proposes to issue a new assessment in 1954. The Unley Council has been criticised because of its attitude towards the proposed bus service of the Municipal Tramways Trust to Kingswood. This route presents a problem which may apply to other roads in the metropolitan area on which the trust desires to introduce a bus service. The council was notified by the trust that it intended to run a bus service on the Kingswood tram route, but it strongly objected, mainly because the road is not suitable for the purpose. A double-decker diesel bus weighs eight tons when empty and 12 tons when full. The council told the trust that the roads on this route were not fit for such heavy traffic. It approached the Highways Department to get its engineers to investigate the problem. The only way to make the roads fit, according to the engineers of the Highways Department and the council engineer, is to spend £15,000 on about 1½ miles of road. The trust was responsible for keeping the roadway between the tramlines in repair, but when it removed the trams it considered this was the responsibility or the council. Throwing this responsibility on to the council was not intended by Parliament when it made big grants to the trust. The bus service in question is to be transferred to another highway in the Unley area which the Council does not think is fitted for heavy buses. These matters will come before the new Minister of Roads. I consider that the two new Ministers should be located in this House. Often members desire to get information from the Minister of Education, but they must ask their questions through the Minister of Works and await a reply. The Minister should be in this Chamber so that we can ask our questions direct. That also applies to the Minister for Roads and Minister for Local Government.

Over the years the Playford Government has done a remarkably good job. The Minister of Agriculture, Sir George Jenkins, has served under two Premiers. This House has the advantage of his knowledge, authority and experience. I think we are particularly lucky to have men of this type in the Ministry.

If the new Ministers are of the same standard as the present Ministry I will be satisfied. I have pleasure in supporting the Bill.

Mr. DAVIS (Port Pirie)—The appointment of two additional Ministers is necessary. Since I have been a member of this House the Ministers here have always treated me with great courtesy. All matters I have brought to their notice have been readily considered, and they have freely advised me. They have done their best, although not always as we have desired, but they are over-worked and the number of portfolios they hold prevents them from effectively performing their duties. I have always received great assistance from the Minister of Railways. I do not know whether it is his fault or the fault of the Commissioner of Railways, but the railways today are in a most unhappy position. During the war years the rolling stock deteriorated and there was no opportunity of replacing or repairing it. However, now that manpower and materials are available the railways should be improved. Mr. McIntosh holds many portfolios and it is impossible for him to carry out all his duties effectively and the additional Ministers will relieve the burden of the present Ministry. Mr. Dunnage referred to the proposed appointment of a Minister of Transport. Many of the roads in the outlying areas are in a bad condition and require much attention. I hope the Minister will traverse the country areas because he will readily understand the necessity for decent roads. However if the roads are to be improved more money will be required. I do not know where it will come from since the Federal Government has tightened its attitude on loan money. The appointment of additional Ministers may lead to greater progress and the Ministers will be able to attend more thoroughly to the needs of the departments under their control.

I regret that I cannot say that I have received the same consideration from a Minister in another place. In common with other members I am concerned with the condition of our schools and the Minister of Education should visit the country areas. The Minister of Education has not visited Port Pirie for at least six years and no man can carry out his duties if he does not visit the schools under his control. The Minister must realize that much work is being done by the parents of pupils and school committees and I hope that whoever is appointed will reveal a greater interest in education. I hope too that education will be his sole responsibility. Country

hospitals have been sadly neglected. Additions to the hospital at Port Pirie have been promised for many years but they have not eventuated. More hospitals are needed in all country areas and it is the Government's responsibility to provide them. Mr. Dunnage also referred to councils imposing higher rates on the people in their areas. If it were not for members of the Government my council would be in a happier position today. We made an assessment but because of the Government's attitude many appeals were lodged against the assessment and were successful. The assessments on some of the most valuable property were lowered by from 33½ per cent to 40 per cent. It is easy to suggest that councils raise their assessments but it is a different matter to do so. Port Pirie has a low assessment but the council has done its utmost to get more money from the ratepayers. I do not think I am paying one-third of the amount I should pay for rates on the property I own at Port Pirie. The sooner people realize their responsibilities the better it will be for councils. The present Ministry has done its best and can do no more. I support the Bill.

Mr. MICHAEL (Light)—I did not intend speaking because I thought the purpose of the Bill was so obvious, in view of the progress of the State, that there would be no opposition to it. The speeches from the Independent Opposition contained more inconsistencies than any I have heard from them previously. They are allies, and when Mr. Quirke was speaking Mr. Macgillivray was at his side to prompt him. In view of what they have said about bureaucracy and the country being run by Government departments, I thought it was inconsistent of them to oppose the appointment of additional Ministers who could be more closely responsible to Parliament for the departments. Mr. Macgillivray said that he thought Government members were afraid to rise because it might embarrass any chance they had of being appointed to the Ministry. It is nothing to deprecate in a man that he has visions of the Ministry. Many members who enter Parliament have visions of ultimately becoming Ministers. I agree with the member for Mitcham that the Government should give great consideration to appointing metropolitan members, but if ever the powers that be decide that I am worthy of appointment to the Ministry, I will go into it with the object of applying all my mental and physical abilities to the task, and do it without a lot of talk.

Mr. Lawn—Will you show the Premier your remarks in *Hansard* when he returns tomorrow?

Mr. MICHAEL—The only knowledge I have of who may comprise the new Ministry is what has appeared in the press and what the member for Adelaide and other Opposition members have suggested. The member for Norwood is a young man and I congratulate him on his early election to Parliament, but when he suggests that education is not making progress I do not think he knows what he is talking about. There is plenty of room for improvement in the Education Department because Australia is progressing rapidly. It is extremely difficult for our Ministers to keep pace with trends in this State, and I believe this Government has done very well in the face of war-time and post-war shortages and financial difficulties. The member for Murray said that he had had 15 years of public life at Monarto South, but the member for Norwood implied that that was not a suitable qualification for service in this House.

Mr. Dunstan—I said it was most important.

Mr. MICHAEL—My interpretation was that the honourable member thought it was not a suitable qualification. He is a young man who has read many books, but nothing would help fit him for service in this House as much as a few years' experience in public affairs in Monarto South, or some other country town, or even in the metropolitan area, for it would widen his outlook and take away his present Socialistic tendencies. Indeed, in a few years he would realize that his place should be behind this Government. The Bill is necessary and represents sound progress, for it will enable all Ministers to give closer attention to their various departments and to meet more people, both in the city and the country. Whether a member be a private member or a Minister he should keep in touch with the people.

This Government has been called a one-man Government. I do not deprecate the outstanding service given by the Premier, a service appreciated not only in this State but throughout the Commonwealth. I have had some knowledge of politics since the turn of the century, for as a small boy I was brought up in association with men who took a great interest in politics. All Governments have been led by outstanding men, and, although I give all due credit to Mr. O'Halloran, the Leader of the Opposition, who is an outstanding man, it may be equally said of the Party he leads that it is a one-man show. I remind members that it is the Premier who must keep in touch with his Ministers and make public statements on Government achievements and policy.

Mr. FLETCHER (Mount Gambier)—I support the Bill. For many years the affairs of this State have been managed by six Ministers, and I have felt for a long time that additional Ministers should be appointed. I would like both the additional Ministers to be appointed from members of this House, and I am sure the Minister of Education should be in this place. Much has been said with regard to education and the erection of school buildings, the demand for which has been unprecedented. As a member of the Public Works Committee I know that many projects have been sent on to it for report and that temporary buildings have been erected in some areas to accommodate the enormous growth in the number of school children. It has been said that vision should be used in planning for the future, and in this regard I draw the attention of members to metropolitan school grounds cluttered up with buildings, some of which were erected 15 or 20 years ago as temporary buildings.

The Hon. M. McIntosh—Allandale East has a new school.

Mr. FLETCHER—Yes, and I am not complaining about the treatment received in my district, but the number of school children in Mount Gambier is increasing so rapidly that soon it will be necessary to close James Street to traffic at certain hours so that children may play in it, for they have little room to play in their school yard, which is almost full of temporary buildings. Districts such as Norwood, Nailsworth, Thebarton, Hindmarsh and Woodville will always need permanent school buildings, yet in some school yards we find six or eight buildings, some of them temporary.

Mr. Hutchens—And even three schools in the one grounds!

Mr. FLETCHER—Yes, and soon it will be necessary for students to attend in relays. The Minister of Education should be in this House so that members may bring these matters to his notice. We must plan for the future, and more permanent school buildings should be erected. I have heard head teachers complain of the inconvenience and disabilities under which they work where they have a school yard that resembles a small village, yet they are expected to supervise the work of the various classes.

We have been told there will be a Minister in charge of highways. I hope that will be so, and I should even be pleased to see a Minister of Transport appointed. Our main roads are in fair condition but, as the member for Victoria stated, country and district roads

deteriorated during the war. However, local government bodies have done a wonderful job in constructing roads for soldier settlements. I pay a tribute to those in my district for the wonderful job they have done in providing roads to enable the settlers to get into and out of their properties in the winter months. As the member for Victoria said, we should be thankful that there were no shell holes in our roads. That is something I have always pointed out when ratepayers have complained about our district roads. When our boys were away fighting for Australia and freedom we had good roads, but they had to contend with shell holes and many dangers. We should realize that for the part they played we shall have to put up with a little inconvenience and a few bad roads while plant and machinery is being used to provide better means of transport for those who fought for us overseas. I believe every member who has spoken has praised the Ministers.

Mr. Davis—You are wrong there.

Mr. Macgillivray—The member for Port Pirie praised them.

Mr. FLETCHER—I have been a member for 15 years and have got on very well with most Ministers. I do not always see eye to eye with them, but I have found them most helpful and co-operative. The Premier is the outstanding man of the Ministry, in fact, he is one of the outstanding men of Australia. For his sake alone I should like to see two extra Ministers appointed. I believe that the strain of his numerous portfolios is telling on him. He is entitled to some relief. No-one but a superman could have discharged the responsibilities he has carried. Like the member for Unley I hope that the two additional Ministers will be members of this House. I support the Bill.

Mr. GOLDNEY (Gouger)—Like many other members I believe that the appointment of more Ministers is overdue. It is warranted because of the growth of the population of the State and the expansion of our primary and secondary industries during the last 20 or 30 years. This has resulted in much more work being placed upon the Ministers. I commend all Ministers for what they have done, in many cases under difficulties, particularly during and just after the war. We are not yet out of those difficulties. Members of Parliament and the citizens can considerably assist the Ministers in carrying out their duties. Often there is a tendency to run to the Government for everything we think we want. Much

has been said about a Minister being appointed to deal with roads. In the matter of road construction people could help themselves more than they are doing. For instance, earth-moving equipment is expensive and often the operators of the machines are not as careful as they could be, with the result that the machines are frequently out of action. School committees and hospital committees do much good work, but more could be done. In this way, the State could be saved thousands of pounds. I have much pleasure in supporting the Bill.

Mr. HAWKER secured the adjournment of the debate.

FRUIT FLY ACT AMENDMENT BILL.

The Hon. Sir GEORGE JENKINS (Minister of Agriculture) moved—

That the 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 provide for compensation for loss arising from measures to eradicate fruit fly and to amend the Fruit Fly Act, 1947-1952.

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

MAINTENANCE ORDERS (FACILITIES FOR ENFORCEMENT) ACT AMENDMENT BILL.

Second reading.

The Hon. C. S. HINCKS (Minister of Lands)—I move:—

That this Bill be now read a second time. The principal object of this Bill is to extend the application of the Act to United Nations Trust Territories under British rule. The Maintenance Orders (Facilities for Enforcement) Act provides for the reciprocal enforcement of maintenance orders made in England or Ireland or so-called "reciprocating States" and South Australia. A maintenance order made outside the State cannot be enforced here under the Act unless it is made in England or Ireland or in a reciprocating State, neither can a South Australian order be enforced except in England or Ireland or a reciprocating State. Under the Act "reciprocating State" means any part of Her Majesty's Dominions proclaimed by the Government to be a reciprocating State. The attention of the Government has been drawn to the fact that because of the way in which the Act is framed reciprocity is not possible with the Territory of New Guinea. The question arose when the

Children's Welfare and Public Relief Board investigated the possibility of taking proceedings against two persons living at Rabaul in the territory of New Guinea. The Crown Solicitor advised that the territory of New Guinea, as a United Nations Trust Territory, although administered by the Commonwealth of Australia, is not part of Her Majesty's Dominions, and therefore does not come within the definition of a State which could be proclaimed a reciprocating State. The Government believes that reciprocity should be possible with territories such as New Guinea and accordingly is introducing this Bill.

Clause 3 amends the long title of the principal Act consequential upon the extension of the Act to United Nations Trust Territories. Clause 4 amends section 2 of the principal Act by inserting a definition of "His Majesty's Dominions." The definition enlarges the meaning of that expression to include United Nations Trust Territories. Members will notice that the expression "His Majesty" has been used in the amendment. This has been done for the sake of consistency with the language of the principal Act. By virtue of the Acts Interpretation Act the expression "His Majesty" is synonymous with "Her Majesty."

Clause 4 makes a consequential amendment to the definition of Governor in section 2 of the principal Act and makes possible the extension of reciprocity to Scotland, should that ever be wanted. Under the principal Act reciprocity is only possible with England or Ireland or a reciprocating State outside the United Kingdom, so that Scotland is completely excluded. The Act appears to have been so framed merely because Scotland was completely excluded from the English Maintenance Orders (Facilities for Enforcement) Act. However, the exclusion of Scotland from the English Act did not, in fact, necessitate the complete exclusion of Scotland from the South Australian Act. Provision could have been made for the proclamation of Scotland as a reciprocating State. Clause 4 makes it possible to proclaim Scotland as a reciprocating State should reciprocity with Scotland ever be desired.

The Bill amends an evidentiary provision in section 6 of the principal Act, which deals with the confirmation by a South Australian Court of a provisional maintenance order made outside the State. Under the section the defences available to the person against whom the order is directed are limited to the defences available in the country where the order was made. The section states that a certificate given by the court

which made the order, naming the grounds of defence available, shall be conclusive evidence that the grounds are grounds on which objection may be taken. The certificates are frequently inadequate and sometimes inaccurate, but the word "conclusive" in the Act makes it necessary for the court to accept the certificate as correct, even if it thinks it wrong. Clause 5 therefore amends section 6 by replacing "conclusive" with *prima facie*. This will enable the court to look behind the certificate to ascertain a foreign law. Clause 6 amends section 12 of the principal Act consequential upon the provisions of clause 4.

The Act requires that maintenance orders shall be transmitted from the court of one State to the court of another through the medium of the Governors of the States concerned. This sometimes leads to what appear to be unnecessary delays. The attention of the Government has been drawn to the cumbersome procedure followed in the exchange of orders between South Africa and Australian States. Every order, whether made in South Africa or an Australian State, has to pass through the hands of the South African Department of External Affairs. It seems that this is superfluous and that everything necessary could be done by the South African Department of Justice. The Government thinks that every effort should be made to prevent delay in a matter such as this. Clause 7 therefore makes an amendment to the principal Act calculated to shorten the procedure. It inserts a new section at the end of the principal Act enabling the Governor to proclaim a person, in lieu of the Governor of a reciprocating State, to or by whom maintenance orders may be transmitted. This will enable maintenance orders made in South Australia to be addressed to some person other than the Governor-General of South Africa, and orders made in South Africa to be received from some person other than the Governor-General.

Mr. O'HALLORAN secured the adjournment of the debate.

FOOD AND DRUGS ACT AMENDMENT BILL.

Second reading.

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

I move that this Bill be now read a second time.

Section 27 of the Food and Drugs Act requires vendors of milk to be licensed by the appropriate local authority or by the Central Board

of Health and, among the powers given by section 61 to the Governor to make regulations, is included a power to make regulations relating to the licensing of cowkeepers, dairymen and vendors of milk and for ancillary matters. These licensing provisions must be read in conjunction with section 39 of the Metropolitan Milk Supply Act which provides that the holder of a milk producer's licence or a milk treatment licence under that Act and the premises upon which he is licensed to produce milk or cream or, as the case may be, he is licensed to treat milk, are not to be subject to section 27 of the Food and Drugs Act or to any regulation made under section 61 of that Act. The provisions of section 27 of the Food and Drugs Act only apply to the sale of milk and do not apply to the sale of cream although it should be noted that the Metropolitan Milk Supply Act applies both to milk and cream.

The Central Board of Health has recommended that the operation of section 27 of the Food and Drugs Act be extended to include the sale of cream and has pointed out that cream should be regarded as being in the same category as milk and that it is subject to the same possibilities of contamination as milk. It is considered that if the control of the sale of milk is necessary in the interests of public health, similar control is also necessary in the case of cream. Accordingly, clause 2 of the Bill amends section 27 of the Food and Drugs Act so as to extend the scope of the section to include the sale of cream, whilst clause 3 extends, in a corresponding manner, the power given by section 61 to the Governor to make regulations. Clause 2 is drafted on the basis that every licence to be issued under section 27 will, in future, be a licence relating to the sale of both milk and cream. In practice, most vendors of cream are also vendors of milk and it is considered that the one licence should suffice for both commodities. It is also provided by clause 2, in conformity with this policy, that every existing milk licence will, whilst it remains in force, be deemed to include cream. Thus, if a person now holds a milk vendor's licence this will automatically apply to the sale of cream. If, however, a person sells cream only and not milk, he will be required to obtain a licence under the section which will, as will all future licences, be a licence covering the sale of both milk and cream.

Mr. HUTCHENS secured the adjournment of the debate.

HEALTH ACT AMENDMENT BILL.

Second reading.

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

I move that this Bill be now read a second time.

The Bill is introduced as the result of recommendations made by the Central Board of Health. Clause 2 of the Bill proposes to re-enact the substance of what were previously sections 90 to 94 of the Health Act. These sections, which provided for the control of offensive conditions created by trades or businesses, were repealed by the Noxious Trades Act, 1943. The Noxious Trades Act makes extensive provision for the constitution of noxious trades areas, for the licensing of noxious trades, and generally for the control of these trades and, at the time of the enactment of this Act, it was expected that it would supersede the relevant provisions of the Health Act. However, the Noxious Trades Act has been proclaimed to operate only in the metropolitan area and an extension of the application of the Act to other areas is not, at present, contemplated. The Central Board of Health has therefore suggested that, in order to give country local boards of health some control over offensive trades, similar provision to that previously contained in the repealed sections 90 to 94 should be re-enacted in the Health Act but that their operation should be confined to parts of the State to which the Noxious Trades Act does not apply. Clause 2 therefore inserts new sections 89, 90 and 91 in the Health Act. New section 89 provides for the matters previously dealt with by the repealed sections 90 to 92. It provides that if, in the opinion of the local board of health, any place used for a trade or business, is or is likely to become offensive or injurious to health, it may institute summary proceedings against the person carrying on the trade or business. If the court is satisfied that the trade or business is offensive or injurious to health then, unless it is shown that the best means to prevent injury to health or offence have been used, the person carrying on the business is to be guilty of an offence. It is provided that the court may suspend its final determination upon condition that means to mitigate offence or injury to health and ordered by the court are taken by the person summoned.

New section 90 is similar to the old section 93 and makes it an offence to keep any accumulation or deposit of offensive matter longer than is necessary for trade or business or to omit to take the best available means to prevent the accumulation or deposit from becoming injurious to public health. New section 91 provides that new sections 89 and 90 are not to apply within any part of the State in which the Noxious Trades Act applies. Section 123 of the Health Act provides that all houses built in municipalities are to have such drains, means of ventilation and sanitary requirements as the local boards may prescribe. Subsection (2) provides that plans showing what is provided must be approved by the local board before the house is occupied. The Central Board of Health has recommended that the ambit of the section be extended. Accordingly, clause 3 provides that, in addition to applying to houses within municipalities, section 123 is to apply to houses built in townships in district council districts. The term "township" is defined to have the same meaning as it has under the Local Government Act. Another alteration is made by clause 3 to subsection (2) of section 123. At present, the subsection provides that the necessary plans are to be approved before the house is occupied. Obviously, the approval of plans should be obtained before the construction of the house is commenced and clause 3 therefore amends the section accordingly. It is also provided by clause 3 that section 123 is not to apply to any part of the State to which the Building Act applies. The Building Act provides that plans and specifications of any building must be lodged with the council and approved before the building is commenced. It is obviously undesirable that the law should provide that a building owner should lodge complete plans with a council under the Building Act and also be obliged to lodge other plans with the local board of health under the Health Act. Consequently, the effect of clause 3 is that one set of plans and one approval under the Building Act will suffice.

Mr. FRANK WALSH secured the adjournment of the debate.

ADJOURNMENT.

At 9.43 p.m. the House adjourned until Thursday, September 17, at 2 p.m.