

**HOUSE OF ASSEMBLY.**

Wednesday, October 28, 1953.

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

**QUESTIONS.****SOUTH-WESTERN DISTRICTS WATER PRESSURES.**

Mr. PATTINSON—Yesterday the Minister of Works replied to a question by the member for Hindmarsh about the low water pressures experienced by many householders, particularly in the western suburbs, and I am concerned, as the member for Glenelg, with the low pressures in the south-western suburbs, where there has been probably greater housing development than in any other part of the metropolitan area. That must be one of the causes of the low pressures experienced on hot days, but I also think that the selfishness of some consumers has played a part. I ask the Minister whether some method of regulation of water supply would not be in the best interests of all consumers in the metropolitan area. Has the Government considered this matter and, if so, has it arrived at any decision?

The Hon. M. McINTOSH—I thank the honourable member, the questioner yesterday, the press, and the public generally, for their manifest interest and toleration in a most difficult position, but unfortunately, despite the recognized courtesy of South Australians generally, in this State with the hottest and driest climate in the Commonwealth, though with the best water supply, everyone wants to use water in the peak period, which is between 5 p.m. and 7.30 p.m. Yesterday I said that, despite the fact we had supplied in one day 81,000,000 gallons in other years, on Monday last the use of 60,000,000 gallons caused a breakdown in the system in the western suburbs. I added that unless we could get some voluntary co-operation I was afraid we should not only have to use bores, but call upon the public to submit to some regulation in the use of water. Today I had another conference with the Engineer for Water Supply and the Deputy Engineer-in-Chief, and I shall read a report which indicates the actual position. The Engineer for Water Supply states:—

I have already stated that housing and industrial development in the western zone has been much more rapid and extensive than elsewhere in the metropolitan area, and this is undoubtedly the cause of the enormous increase in consumption which is now abundantly evident. Yesterday, when the

temperature was 88.3 degrees the consumption in the metropolitan area was 80,000,000 gallons, which is within 1,000,000 gallons of the all-time record. Such a consumption for a mild summer's day in October has never been experienced before. Yesterday eight bores were brought into operation and a further 22 will be brought into use today. This should give some immediate improvement, particularly in the industrial area, but it is clearly obvious that regulation of the use of water for gardening purposes must be employed to give a reasonable supply for domestic purposes for those people in the areas where the low pressures occur. Although these are mainly in the western zone there are others at Clearview, Northfield and Stonyfell.

The Government has considered the matter, and it can see that the only alternative is to bring into operation some regulation again. There is plenty of water, and it only needs a little toleration in its use to avoid all regulation, but in the absence of that, unless the position improves greatly, some regulation along the lines of last year will be necessary. It is not a question of want of water, but of inefficiency—using that term in its broadest sense—of the pipes, or of there being an insufficiency to carry enough water to cope with such a mushroom growth as we have had. About 20,000 new services have been connected in the last two years in the metropolitan area, and most of them have been in the zone worst affected. I ask for the continued toleration of Parliament, which has approved the proposals to be carried out. We are working overtime to get the water into Adelaide. We are working ahead of the supply of steel, and if people in other States looked as far ahead we would have the steel earlier and more pipes. There is still a shortage of steel. Everything possible is being done, but the fact remains that, despite all our activities, some regulation in the use of water appears inevitable. The Government will consider this matter again tomorrow in the light of events today.

**FRUIT FLY CAMPAIGN.**

Mr. SHANNON—Has the Minister of Agriculture obtained a report in answer to my question yesterday about the value to this State of certain export markets that we enjoy as a result of being fruit-fly free?

The Hon. Sir GEORGE JENKINS—I sought the information desired from my Horticultural Branch. The Chief Horticulturist states:—

A large volume of fresh fruit and of certain types of vegetables, such as tomatoes and cucumbers is sent from South Australia to certain interstate and overseas markets, only because fruit fly is not established here. Victoria still accepts our fruit and vegetables subject to

inspection, but would not be likely to do so if fruit fly became endemic here. Tasmania will not admit our produce, even under existing conditions, unless certified as grown in an area free from fruit fly. Amongst overseas markets, New Zealand is of considerable economic importance to South Australia. At present, fruit exports to New Zealand require fruit fly certification, which we are in a position to furnish. In the event of establishment of the pest, our fruit would be excluded. In 1947 we had opened up a fresh fruit trade with United States and Trinidad, but are now excluded from these markets and will continue to be excluded until we can certify complete freedom from fruit fly. A not inconsiderable fresh fruit trade with Colombo and Indonesia is hampered by pre-shipment fruit fly treatment requirements. On the basis of average export statistics and average returns per package, the approximate annual value of the export trade which would be affected by fruit fly establishment is estimated as follows:—

Citrus fruits—

To New Zealand, £250,000 (1).

To eastern States, £700,000 (2).

Deciduous fruits: Apples, cherries, etc.:—

To eastern States, £300,000 (2).

Tomatoes, etc.:—To eastern States, £600,000

(2); total £1,850,000.

(1) Based on f.o.b. value, Melbourne.

(2) Based on gross value, Melbourne market.

The foregoing estimate is based on the volume of production and export of the past two years, and takes no account of rapidly expanding production of citrus and deciduous fruits, particularly in war service settlements. No estimate can be given of the value which may have attached to the United States and Trinidad trade, but indications in 1947 were that it would have grown to a considerable figure. Re-entry to this trade will not be possible unless fruit fly is eradicated.

#### WILD GARLIC WEED.

Mr. WILLIAM JENKINS—Is the Minister of Agriculture aware of the rapid spread of wild garlic in my district, and will he take steps to ascertain its extent, and if necessary, declare it a noxious weed?

The Hon. Sir GEORGE JENKINS—I have not had this weed brought under my notice. We sometimes desire to know if the council asking for the issue of a proclamation will enforce the Act if we proclaim a noxious weed. I will have full inquiries made and we may seek from the local council concerned an assurance that it will enforce the Act if we declare the weed noxious.

#### KAPUNDA HIGH SCHOOL RESIDENCE.

Mr. MICHAEL—Has the Minister of Works, representing the Minister of Education, a reply to my question of yesterday regarding the erection of a residence for the headmaster of the Kapunda high school?

The Hon. M. McINTOSH—The position is that a contract for the erection of this residence was originally let on September 21, 1950. Until June of this year the only work done by the contractor was the removal of old fences and the laying of the foundation slab for the residence. A quantity of bricks had been delivered to the site, together with some poor quality stone. Later the bricks were removed. Early this financial year the Architect-in-Chief proposed to cancel the contract and re-advertise the job, but before Ministerial approval for this action was obtained the contractor asked the Architect-in-Chief if he could carry on with his contract. On August 17 the Architect-in-Chief advised him he could, provided the work were treated as urgent. He accepted the Architect-in-Chief's conditions. Therefore, I hope that the contractor will make up for past delays; he will be urged to do so.

#### ALLEGATION OF INCITEMENT TO PERJURY.

Mr. TRAVERS—About a week ago the Premier read to this House a statement by a detective which showed that all possible witnesses except one had been interviewed at that time as to a charge of incitement to perjury in connection with an application for a licence to erect a hotel at Challa Gardens, which made it clear that there was no truth whatever in the allegation. When he raised the subject, the member for Hindmarsh said he was doing so in the interests of justice. I should like, in the interests of truth and justice, to inquire; (1) whether the final remaining witness has yet been interviewed by the police; (2) if so, whether that witness has also said there was no truth in the allegation; and (3) is there any reason why the detective should not ask each of the witnesses, and for that matter the honourable member himself, whether they can throw any light on the question as to who it was, if anyone, who informed the honourable member of the facts suggested by him?

The Hon. T. PLAYFORD—If I remember correctly, the report stated that one witness could not be interviewed because he was on holidays. I have not yet received the final report, but I can assure the honourable member that when I do it will be made available to any honourable member. As to the second part of the question, I think it has been held by the highest authority that any statement in Parliament is privileged, and no honourable member can be questioned upon it.

Speaking from memory of the report, I believe all witnesses denied any knowledge of perjury or any inducement to perjury, and I should think that would cover the point the honourable member has mentioned.

#### COUNTRY ELECTRICITY SERVICES.

Mr. WHITE—I have been asked by several people in my district who are engaged in industry why industries in some country districts have to pay more for electricity than those in the metropolitan area. We have been given to understand that one of the objects in extending electricity to country areas was to help decentralize industry. It is quite obvious that if industries in the country have to pay more for electricity than those in the metropolitan area that object will be somewhat nullified, and it has been suggested to me that the real objects of these extensions to country districts would be met if a flat rate were charged for electricity whether used in the country or in the metropolitan area. Can the Premier say what the position is?

The Hon. T. PLAYFORD—The Electricity Trust is charging for a service it renders to the community. It cannot provide a service in the country at the same cost as in the metropolitan area. To a limited extent services in the country are already being subsidized by city services; there are some cross entries in this regard. Country services are not fully self-supporting, whereas city services are rather more remunerative. The establishment of an industry in the country depends on a number of factors. Whereas, for example, it may have to pay more for electricity it may get land for its factories at a lower rate, and its labour under conditions totally different from those in the city, and rates and taxes are also very much lower. One cannot judge the possibility of establishing an industry purely on one factor. The Government assists as far as possible in removing any disabilities on country industries, but in some matters, particularly transport, which is often a very heavy cost, it is not possible to do this. I assure the honourable member that every practical approach is being made to this problem.

Mr. WHITE—Does the Premier mean that the profits made on the supply of electricity to the metropolitan area help to reticulate electricity into country districts at a cheaper rate?

The Hon. T. PLAYFORD—All I said was the supply of electricity in the metropolitan area was on a profitable basis and that supply in the country was on an unprofitable basis.

I do not think there is a large amount of cross-entry, but country extensions today are to that extent receiving some subsidy from the metropolitan area.

#### PARINGA WATER SUPPLY.

Mr. STOTT—I have received a communication from the Paringa District Council regarding the Paringa town water supply. It was promised that a start would be made on that scheme in January, 1953, but nothing has been done except that pipes for the scheme have been sent to the district. The local officer of the Engineering and Water Supply Department was under the impression that a start might be made about October, but he has heard nothing definite about the commencement of the scheme. Now that the pipes are on the site, can the Minister of Works say whether the work will be commenced in time for it to be completed for this summer, as was promised after the failure in January?

The Hon. M. McINTOSH—I will be glad to take up the matter with that object in view and I am sure the Engineer-in-Chief will do his utmost to keep faith with the undertaking.

#### KOWULKA BRANCH RAILWAY.

Mr. CHRISTIAN—In introducing the Kowulka Branch Railway Bill on December 7, 1948, the Minister of Railways, in referring to the agreement between this Government and the Waratah Gypsum Company Pty. Ltd. said:—

Under this agreement the company agrees to pay interest on the cost of the railway or £20,000, whichever is the less, at the rate of 4 per cent per annum for 25 years . . . The company guarantees to ship plaster from Thevenard at the rate of 5,000 tons in the first year, increasing to 20,000 tons in the fifth and each subsequent year, and also to ship gypsum at the rate of 20,000 tons in the first year, increasing to 50,000 tons in the fourth and each subsequent year.

Early this year I saw the line and was informed that, although it had been completed for a considerable time, it had not been used and, so far as could be foreseen, it did not appear that the company's operations would enable it to use it. Can the Minister of Railways say whether the company has signed the agreement which Parliament ratified, whether it has paid interest at the rate stipulated in the agreement, and whether it has any intention of carrying the large quantities of gypsum which it undertook to do? If it is not honouring its agreement in those respects, does the Government intend to terminate the leases held by the company over the gypsum deposits at Penong?

The Hon. M. McINTOSH—The question involves matters of high policy and undertakings given and accepted by this House. As far as lies within my power I shall insist that those undertakings be honoured and everything possible towards that end shall be done. I do not know the facts in detail, but the question having been raised I shall look into the matter immediately with the object of furnishing a comprehensive and detailed reply.

#### LABOR PARTY'S SOCIALISTIC OBJECTIVE.

Mr. TRAVERS—I had intended addressing this question to the member for Victoria, but, as he is not present, perhaps the Leader of the Opposition would not mind answering it. Last Wednesday the member for Victoria was good enough to read to the House the Socialistic objective of the Labor Party platform. My information is that in the platform there is a heading "Objective" and that the Socialistic objective is the only one mentioned in the platform. Can the Leader of the Opposition say whether my information is correct?

Mr. O'HALLORAN—I will do better than that. I will present the honourable member with a copy of my Party's platform and the objective, with my compliments, as soon as I can obtain one.

#### SCAFFOLDING INSPECTION ACT AMENDMENT BILL.

Mr. FRANK WALSH, having obtained leave, introduced a Bill for an Act to amend the Scaffolding Inspection Act, 1934-1940. Read a first time.

Mr. FRANK WALSH (Goodwood)—I move:—

That this Bill be now read a second time. I acknowledge the courtesy of the House in allowing the suspension of Standing Orders so as to enable me to move the second reading of this Bill without delay. This is not a new matter introduced by the Opposition. In October, 1950, a similar Bill was introduced by Mr. Riches and he fully demonstrated the need to amend the Act, which applies only to the metropolitan area and certain proclaimed country areas.

The SPEAKER—The conversation of honourable members is audible to the Chair. Members are out of order, and I ask them to not converse aloud.

Mr. FRANK WALSH—The Housing Trust desires to maintain the standard set by the

Act, but according to the trust's quarterly report for October, 1953, the position at Crystal Brook, Kapunda, Loxton, Mount Barker and Port Lincoln appears to be doubtful. There is a need for additional inspectors to police the Act. The main purpose of the Bill is to extend the same facilities to all parts of the State as now apply to the metropolitan area and certain proclaimed districts. A building contractor should provide scaffolding equipment in compliance with the Act. If it is fair and reasonable for some parts of the State it should apply everywhere. All workmen engaged in the industry are entitled to protection provided by Parliament. In view of the strong case made out in 1950 I suggest that members read the *Hansard* report which appears on page 905.

The Hon. T. PLAYFORD (Premier and Minister of Industry)—This Bill is almost identical with Bills introduced in earlier sessions dealing with amendments to the Scaffolding Inspection Act. The honourable member wants it to apply to all parts of the State. At present it applies to only some parts, but under the Act, if necessary, additional areas can be proclaimed. Within the last two or three weeks Cabinet reviewed the matter and considered a suggestion that the Act should be extended to additional areas, but decided that no case had been made out for further proclamations and nothing was done. The Acts Interpretation Act says that the guiding feature of all legislation should be remedial. In other words, the purpose of legislation should be to cure something that is wrong. It may be claimed by the honourable member that there is something wrong with the Act in that it does not operate throughout the State, that we have no inspectors journeying into outlying villages in administering the Act, but the purpose of the legislation is to see that no lives are lost through faulty scaffolding and that workmen are protected. When I get the returns of accidents I cannot find any justification for the appointment of many additional inspectors, but more will be necessary if we make the Act operative throughout the State. In 1948 there was one fatal accident, but it occurred in an area to which the Scaffolding Act applied. The report stated:—

In the process of erecting a tubular steel scaffolding around a building an employee, whilst lifting a 2in. diameter pipe, apparently overbalanced and fell 17ft. to the ground below, causing fatal injuries. No fault could be found with the manner in which the scaffolding was being erected or with the materials in use.

The amendment proposed would not have prevented such an accident. In 1949 there was no fatal accident, but in 1950 there was one. The report of that accident stated:—

A painter fractured his skull and died when he fell from a scaffold which was being used in a departmental store for the purpose of painting the ceiling. The planks which had been provided by the employer were sound and properly placed in the supporting framework, but a further plank which was of unsound timber had been placed on the protruding ends of the putlogs by some person whose identity was not disclosed. Apparently the deceased was standing on a defective plank when it broke.

Again the accident occurred in an area where the Scaffolding Act applied. In 1951 and 1952 there was no fatal accident.

Mr. O'Halloran—But how many non-fatal accidents?

The Hon. T. PLAYFORD—I have a record of them, but not a full report on each. Over a period of five years the number is significantly low. It is necessary to report every accident and to leave the scaffolding in the same state until a report has been made so that the cause can be ascertained.

Mr. O'Halloran—That only applies where the Act applies.

The Hon. T. PLAYFORD—Yes, but the honourable member introducing the Bill doubted whether the Act was being effectively administered. During the past five years only 25 accidents have occurred, and the department considered, from the reports, that two of them were not worth investigation.

Mr. Jennings—Perhaps the workman only broke a leg.

The Hon. T. PLAYFORD—No, the department would be most concerned if a man broke his leg.

Mr. O'Halloran—All your argument only relates to those areas covered by the Act.

The Hon. T. PLAYFORD—I am trying to point out that when the Government brings down legislation on any topic it seeks to place before the House some reason why it should be passed. We could, if we wished, pass endless Bills on endless subjects. We could fill the Statute Book with legislation of no use whatever, but we would not accomplish anything. The honourable member introducing this measure said, in effect, "It was introduced previously, in 1950, by the member for Stuart, and I point out that at present the Scaffolding Act does not apply to the whole of the State. That is the reason for bringing this measure down." He did not say that scaffolding erected in outside areas was unsafe,

or give statistics about the number of accidents that have occurred there. He said more inspectors should be appointed, but every inspector has to be paid by the taxpayer, so when we bring down a Bill we must have some justification in charging the taxpayer to maintain an army of inspectors. Under existing legislation the Cabinet has power to extend the operation of the Act to any area at any time.

Mr. Stephens—How long is it since the Government made any extension?

The Hon. T. PLAYFORD—I have already said that before the Government knew that the Deputy Leader of the Opposition intended to bring in this Bill I had examined the matter and placed it before Cabinet to see if there were any grounds which any member of the Government believed warranted an extension of the area. If we extend the area we must appoint more inspectors.

Mr. Frank Walsh—Don't you think there is a need for more?

The Hon. T. PLAYFORD—No, and if I had thought so I would have had them appointed. We can have inspectors of every type inspecting everything, but all this would have to be paid for by taxpayers, none of whom I have met who desire to see an army of inspectors driving around at his expense doing something of no practical value. If members will look at the report of the Grants Commission which has been placed before them they will see that South Australia has been allotted a very creditable grant due to the fact of its efficiency in administration. The commission has been impressed by the fact that we have been able to keep our costs down to reasonable limits. If the honourable member wants the Bill accepted, he must produce something much more to the point than that it is the same as one which was thrown out by this House in 1950 when introduced by the member for Stuart. The fact that it was not accepted then is not an argument for its acceptance now.

Mr. McAlees—All you want is a few more accidents.

The Hon. T. PLAYFORD—That is not so. The honourable member knows that the Government is just as concerned as he is about accidents, and takes every reasonable precaution under the legislation now before us and under the Factories Act, which is bound up with it, because the same inspectors operate under both pieces of legislation.

Mr. Frank Walsh—Are you sure? I think you should look that up.

The Hon. T. PLAYFORD—If they are not I would quickly take steps to see that they were, because I cannot imagine anything more unnecessary than to have one inspector inspecting in one street and another inspecting something else in the next street. The last report I received on this matter clearly indicated that the same inspectors operate under both Acts. If we are asked to accept the Bill it must be shown that there has been an increase in the accident rate in areas where the Act does not operate; and, secondly, that it is practicable to send scaffolding inspectors to every building being erected in any part of the State under any conceivable circumstances. Let me make it clear that I favour safe scaffolding. Are we to try to protect ourselves against a man who places one table on top of another, clammers up to put a nail in the wall, falls, and breaks his ankle? It is just as reasonable to put such a provision in the Act as to accept the amendment. No argument has been adduced to prove that the accident rate was greater in places where the Act did not apply. It has not been shown that the Government neglected to extend the Act where such action was necessary, or that one request for its extension had not received the Government's consideration.

*Members interjecting.*

The SPEAKER—Order! I ask honourable members to cease all interjections.

The Hon. T. PLAYFORD—I have not yet been convinced that any such action as is suggested by the honourable member is necessary. I believe the position can be met through the provisions in the existing legislation. It is not possible to establish at reasonable cost the adequate inspection of scaffolding in far distant areas which may be separated by 200 or 300 miles from the next building to be erected.

Mr. Stephens—Shouldn't country workers have the same protection as city workers?

The Hon. T. PLAYFORD—I have no evidence that country workers are not afforded the same protection as those in the city. In fact the two fatal accidents we had occurred in places where the Act applied.

Mr. Jennings—Then on your argument you would repeal the Act altogether?

The Hon. T. PLAYFORD—No, the honourable member is taking it much further than I mean to.

Mr. Quirke—Under the Bill would not 24 hours' notice be needed with regard to a house to be built anywhere in the country?

The Hon. T. PLAYFORD—The Bill repeals section 15 of the principal Act, which states:—

In any proceedings for an offence against this Act the allegation in the complaint that a specified place is within the portion of the State to which this Act applies shall be deemed proved in the absence of proof to the contrary.

Therefore the provision repealing section 15 is a purely consequential amendment. The whole of the Scaffolding Act would apply throughout the State if this Bill were passed. Section 6 of the Act states:—

Any person intending to erect any scaffolding or hoisting appliance shall, at least 24 hours before commencing to erect the same, give notice in writing to the inspector of his intention and shall at the time of giving notice as aforesaid, pay the prescribed fee. Notice as aforesaid shall be delivered at the office of the inspector.

Mr. Quirke—Perhaps a hundred miles away.

The Hon. T. PLAYFORD—It could easily be 300 or 400 miles away. When the Act was introduced it was realized that it could not have general application and provision was therefore made for it to apply only to certain areas where it would be possible for it to operate. Provision is also made for a proclamation to vary the area to which the Act applies. If any member believes that there is in his district an area not subject to the Act which should be subject to it, he should apply for it to be proclaimed. Such an application would be investigated, and the matter considered by Cabinet and Executive Council. I believe that method is satisfactory. The Scaffolding Inspection Act applies not only to scaffolding, but also to hoisting equipment and appliances, which involves such things as boring plant hoisting gear. I oppose the Bill.

Mr. DAVIS secured the adjournment of the debate.

#### BUILDING CONTROL BILL.

Adjourned debate on second reading.

(Continued from October 21. Page 1111.)

Mr. HUTCHENS (Hindmarsh)—This Bill is one of the most important introduced this session. It has been subject to much consideration and few words should be needed to convince any reasonable person of the necessity for passing it. The Bill gives the Minister power to instruct sellers to supply building materials to people whose dwellings have suffered damage from fire, storm or tempest or similar cause. Clause 6 deals with the issue of permits for the demolition of dwelling-houses. Previous speakers have drawn attention to the fact that people whose homes

suffer damage are subject to the risk of further damage not only to their homes, but also to their furniture, clothing and personal effects. All people with a humane outlook desire to protect the interests of such persons at the earliest possible moment. Today people wishing to buy galvanized iron, red bricks and certain other building materials know that such materials are in extremely short supply and therefore difficult to obtain. I have been trying for a number of weeks to secure galvanized piping, but have found it impossible.

If no provision is made for some authority to instruct sellers to supply urgently required building materials to people in distress, the law of supply and demand will operate and will bring no relief to such people. The Premier said that, if such instructions were given by some authority, a contractor who had contracted to finish a job by a certain date would be embarrassed, but surely a person whose home has been damaged by storm and who could not obtain the materials with which to repair it would be embarrassed far more than that contractor. Members have heard of many cases in which people have found themselves without a roof over their heads and with their goods and chattels exposed to the weather. After a recent storm the Government, in its generosity, found tarpaulins to cover some of the damaged homes, and the Premier said that the Government had gone even further and found homes for those people. The Leader of the Opposition interjected that surely that would prejudice interests of applicants awaiting the allocation of the new homes, and I feel that that interjection nullified the Premier's argument. Someone should have authority to instruct that building materials be supplied to owners of homes which have suffered damage. The sponsor of the Bill, besides seeing the need for the Minister to have power to enforce directions, has made it possible for him to purchase materials necessary in an emergency. Under clauses 6 and 7 the Minister is responsible for the demolition of houses. From information given recently by the Premier I believe that, taking into account possible duplications, there are many effective applications to the Housing Trust for accommodation. He said that one town clerk had asked for permission to demolish houses. I have an idea who he is, and to some extent I agree with his request, because in some areas there are many sub-standard homes and slum areas, and it is desirable that they be demolished as early as possible and replaced

by new buildings. Slum areas in New South Wales have been demolished and replaced by fine houses built by the Housing Commission. Our health authorities are not charged with the responsibility of providing accommodation and as they are over zealous in their work there is a need for someone to control the demolition of houses. I hope members will give the Bill serious consideration and support it unanimously.

Mr. GEOFFREY CLARKE (Burnside)—I oppose the Bill, which brings into our legislation an element of compulsion, which is a very bad trend. It is a trend that compels people to sell the goods they possess, and if that principle is established people must be compelled to sell their labour, which I oppose. People have the right to manage their property and services to their own advantage, provided they do not interfere with the common good. So far as I know, no cases of hardship caused by storm damage have failed to prompt the goodwill and help of not only neighbours but the whole community. There is no reason to believe that the generous feelings of mankind customarily expressed when someone suffers adversity will not continue to be expressed. To suggest that goods should be compulsorily sold is not a good thing. If subclause 2 of clause 4 is accepted it will be necessary to add a provision as follows:—

Further, if any tradesman, labourer or other person being tendered a proper reward for his labour for the exercise of his craft or mystery refuses or omits to repair a dwelling-house he shall be guilty of an offence and liable to a penalty of £100.

Such a provision will not commend itself to any member. I object to the Government setting itself up as a hardware merchant. There is no need for it as building materials are becoming more readily available. No person who has suffered hardship through storm damage to his house has been embarrassed through not being assisted. I wonder whether the sponsor of the Bill has considered the very drastic effect of clause 6? Under it no person owning a dwellinghouse could adapt part of it for his own use as a shop, which might be desirable in the interests of the community or for his own profit. A man could not convert part of his house to be used as a surgery, or as an office for a trades union secretary. I object to the Bill because it brings compulsion into something where free choice should be permitted. The natural corollary would be regimentation of labour, because it is useless controlling material to put on, say,

a roof unless someone is compelled to put it on. The honourable member can be commended for the humane view he has shown in attempting to put this matter into legislation, but in practice it is highly undesirable. Clause 6 is far too drastic and precludes a man from knocking down his own house if he thinks it should be replaced by a new building.

Mr. TAPPING (Semaphore)—I support the Bill, the sole purpose of which is to help in times of need. The Opposition can see that under ordinary circumstances the legislation would not be necessary, but because of the extreme shortage of some building materials we believe it is desirable. No-one can deny that cement and galvanized iron are in short supply. Mr. Geoffrey Clarke objected to the Bill because it introduced an element of compulsion, but no-one favours compulsion unless it is necessary in human interests. Some weeks ago, because of excessive storm damage, a number of homes around Adelaide were partially destroyed, and to put them in habitable condition compulsion was needed to get certain building materials. The honourable member also objected to the Government setting itself up as a hardware merchant, but no-one has suggested that it do so. Some weeks ago it must have come within that category because following on the storm damage I mentioned the Premier made representations to the Housing Trust and some hardware merchants for building materials to help people in dire need. No-one objected to that, because the Government was helping people in a time of distress. The honourable member also said that under the Bill no person could demolish his house if he wanted to replace it with a new building, but there is power for the Minister to control the matter of demolition. No hardship would be placed on a merchant if he received an order to supply certain building materials. He would be only too happy to co-operate following on storm damage, and there would be no hardship on him if the penalties in the Bill were accepted. If an order were made on a merchant who did not have the requisite material he could easily prove to the court that he did not have it on hand, so no hardship would be placed on him. The action of the Premier some weeks ago in helping people whose homes had been unroofed by a storm was a noble gesture, but it was done by negotiation. There was no compulsion on any merchants. They co-operated, as they did on other occasions.

The Bill merely makes it mandatory on a merchant to supply essential materials if ordered to do so by a Minister.

Clause 6 states that no demolition shall occur without the consent of the Minister. Any demolition order would be contingent upon a local board of health, after having considered the state of the dwelling, condemning the house. The local board's findings would be a guide for the Minister. In recent months I have noticed that some courts have made orders under landlord and tenant legislation for the demolition of a home. Cases have been brought under my notice in the Semaphore district of people living in a home and applying for a Housing Trust home, but not having been granted one. In a recent case the owner moved in as a result of a court order and started to demolish the home, and eventually excluded the tenant. No member has any desire to thrust a hardship upon a tenant, as was done in this case and in others. I have observed the position in Port Adelaide and give full marks to the Port Adelaide local board of health, for many homes have been condemned, but because of the acute housing shortage the tenants have been allowed to continue to reside in them for some years after the condemnation order. I give councils credit for having co-operated as they have. In speaking on this measure the Premier stated:—

Let me submit a simple illustration. I have a house in which I desire to live, and have placed an order for the iron with a well-known merchant, say, Harris Scarfe & Co. Ltd. I have arranged for the builders to complete the house within a certain time, but because of some order from a Minister my galvanized iron is not supplied to me.

I realize that the builder may have contracted to complete the house within a certain time, but most builders and owners are reasonable and probably an extension of the time for completion of the contract would be granted in such circumstances. The Premier's statement had little significance. If galvanized iron were not available to complete the contract no-one would quibble if it had been diverted for the purpose of helping someone who had suffered as a result of storm or tempest. There is no desire by members on this side of the House to place further compulsion measures on the Statute Book. Supplies of cement are still very short, although increasing. Some building materials are still not readily available. We all hope there will be no further storm damage to houses, but that is something we cannot forecast. I trust the House will agree to the measure.



Mr. FRANK WALSH (Goodwood)—Many members do not seem to realize the importance of this Bill, but I thank my colleagues for giving it their attention. Some of them referred to the Premier's statement about a supposititious case urgently needing galvanized iron, and showed there was no substance in his argument. I point out that this measure has a duration of only 12 months. Secondly, all members know, particularly the Premier, that certain building materials would not be readily available in an emergency. For instance, few people could get supplies of galvanized iron to repair their homes if they were severely damaged by a storm. Many members are opposed to all controls, but this Bill would afford much assistance to people in an emergency. Apart from galvanized iron being in short supply, I doubt whether Wunderlich or cement tiles could be obtained to repair the roofs of homes damaged by storm. I stress that every case requiring assistance would be treated on its merits. I doubt whether even imported galvanized iron would be available for repair purposes, but if it were it might not flute properly if the roof were of Australian iron.

I do not desire the Government to set up in business to merchandize builders' hardware, but I hoped the Government would have sufficient foresight to see the necessity of making adequate supplies of materials available to meet any emergency. If people do not suffer storm damage again there will be no need to implement the provision of the Bill and no inconvenience will be caused to anyone, but it is necessary to have some provision to meet such events. The Premier said that he will make inquiries to see if he can get supplies of building materials if members bring necessitous cases before him, but why should we have to go cap in hand to him? I said earlier that I did not want merchants to be compelled to hold in reserve certain tonnages of various lengths of iron. The member for Burnside said that building materials were becoming more plentiful, but I should like to know where they can be readily obtained. Recently I offered assistance to get galvanized iron, but it was necessary for me to take longer lengths than were needed. I paid for them, but was not supplied with the sizes that I paid for. I was informed that because they came by road transport I could not get any refund, yet we are told there is no hanky-panky today!

Not long ago I raised the question of cement supplies. When cement was controlled most

people really needing it obtained a good portion of their requirements under the permit system, but that does not apply today. When members opposite say that building materials are readily available they are far from the truth. As to the demolition of homes, if I quote subclause (5) of clause 6 the position may be impressed upon the minds of members opposite. It reads:—

For the purposes of this section "dwelling-house" means a building constructed or adapted for use as a place of habitation and includes any building which at any time within 12 months before it is demolished or altered is occupied by some person as a place of habitation.

The member for Adelaide has a greater knowledge of the number of homes likely to be demolished in Adelaide than any other member of the House. I should like to know whether these tenants will receive Housing Trust accommodation when their homes are demolished. Before they can obtain an emergency home they will have to find from £15 to £20 each to fight litigation, will have to prove hardship and then wait on the decision of the trust, even if the bailiff is knocking on the front door. Yet Government supporters say that the proposed control is unacceptable to them. The Minister in charge of housing knows full well that the trust is not in a position to find accommodation for those who are forced to move from homes that are demolished. I believe that the trust has already made up its mind that it will not do so and that these facts are known to the Premier. I sincerely hope that the emergency conditions for which I am providing never eventuate, but one has to be prepared for such unforeseen happenings. I ask the House to support the Bill.

The House divided on the second reading—

Ayes (12).—Messrs. John Clark, Corcoran, Davis, Dunstan, Hutchens, Jennings, Lawn, McAlees, O'Halloran, Stephens, Tapping, and Frank Walsh (teller).

Noes (21).—Messrs. Brookman, Christian, Dunks, Dunnage, Fletcher, Goldney, Hawker, Heaslip, and Hineks, Hon. Sir George Jenkins, Messrs. William Jenkins, Macgillivray, McIntosh, Michael, Pattinson, Playford (teller), Quirke, Shannon, Teusner, Travers, and White.

Pairs.—Ayes—Messrs. Fred Walsh and Riches. Noes—Messrs. Geoffrey Clarke, and Pearson.

Majority of 9 for the Noes.  
Second reading thus negatived.

ESTABLISHMENT OF STEEL WORKS  
NEAR WHYALLA.

Adjourned debate on the motion of Mr. Riches:—

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 the Parliament on steps to be taken to implement recommendations made by the Director of Mines on such an undertaking.

(Continued from October 21. Page 1114.)

Mr. HAWKER (Burra)—I do not wish to give a silent vote on this motion, or delay the House very long. I understand that its basis is the report of Mr. Dickinson (Director of Mines), who is a highly skilled technician and has submitted a very valuable report. He has gone further afield than one would consider to be within the realm of his technical knowledge, but I should be the last to restrict a man from saying what he liked about any matter such as this in which he has a wide interest. However, I cannot reconcile some of his statements. For instance, he says in his report:—

Ample supplies of high-grade ore are available in Australia for the proposed expansion programme.

Then subsequently he adds:—"Little is known of the iron ore reserves in Australia." Later he allots a special paragraph to the iron ore reserves, mentions a certain type of iron ore, refers to the treatment of this type of ore in the United States of America, and then adds, "This development warrants detailed investigation." Even his very valuable report seems to raise doubt as to exactly what iron ore we have. In referring to the monopoly control of the Broken Hill Proprietary Co. Ltd., Mr. Dickinson said:—

The present monopoly control of the steel industry by the B.H.P. Co. Ltd. is not in the public interests.

Just prior to that he said that Australia produced the lowest-priced steel in the world. I find it hard to reconcile those two statements. If the company's monopoly is not in the best interests of Australia, it seems to me rather odd that we are producing the lowest priced steel in the world. I know that there are contributing factors, one of which is that the company's works were erected when costs were much lower than they are today, and the fact that it is working on very high-grade ore obtained from South Australia. About £100,000,000 capital would be required to establish a South Australian steelworks, and he suggests that this be raised by private

subscription and Government loans. He continues:—

It is furthermore suggested that the Broken Hill Proprietary Company Limited and the South Australian Government should be the major shareholders in the new company.

It seems to me extraordinary to say that the B.H.P. monopoly is detrimental to Australia and then to recommend that the company hold a large number of shares in a new company. I remind members that it would not be the first time that the B.H.P. Company had had competition, for in June, 1928, the Australian Iron and Steel Co. was formed at Port Kembla. It was backed by substantial firms such as the Hosking Iron and Steel Co., Dorman Long, Baldwin, and Howard Smith Ltd., all of which companies held shares in the new undertaking. The public subscribed to an issue of £675,000 preference shares and the remaining preference and ordinary shares were held by the companies I have mentioned. This information could be easily checked as it is taken from the records of the Registrar of Companies. The Australian Iron and Steel Co. paid dividends on its preference shares until November, 1930, but then no dividends were paid until October, 1935, when the company was bought out by the B.H.P. Co. The purchase price consisted of 750,000 £1 B.H.P. shares in place of the 2,700,000 £1 shares in the Australian Iron and Steel Company. Those B.H.P. shares were quoted at 57s. at that time. It is interesting to note that, as soon as the B.H.P. took over the Australian Iron and Steel Co., its shareholders were paid dividends for the first time in five years. Not only were preference dividends paid but also arrears of preference dividends. By 1940 all arrears in preference dividends had been paid and a steady preference dividend has been paid ever since. Mr. Dickinson's statement and my figures regarding the treatment of Australian Iron and Steel Co. shareholders by the B.H.P. show that no charge can be justifiably levelled against the monopoly exercised by the B.H.P.

Mr. Davis—A Liberal Government gave the B.H.P. the richest iron ore field in the world.

Mr. HAWKER—That has no bearing on the fact that Australian Iron and Steel shareholders have been paid steady dividends since the B.H.P. took over the company. According to Mr. Dickinson the B.H.P. is producing the cheapest steel in the world, therefore I cannot see that the time has come for the appointment of a Select Committee. I oppose the motion.

Mr. JOHN CLARK (Gawler)—I support the motion. I do not intend to speak at length for I do not wish to delay action in this important matter in which action has been for so long delayed already, but during this debate several peculiar and inconsistent statements have been made by members who, although ostensibly opposing the motion, made a pretence of desiring to see a steel works established in South Australia. I was rather amazed at the implied criticism by the member for Burra of Mr. Dickinson, M.Sc., Director of Mines and Government Geologist. He is an estimable and worthy gentleman who does credit to his position, and I do not think the member for Burra would deny that, but it is the duty of this House to encourage such eminent public servants to broaden their investigations, as Mr. Dickinson has done in this case, in the interests of their job and of the State. I am sure that was the intention of the Director of Mines in presenting this and other reports on the same topic. I admit the member for Burra damned Mr. Dickinson with faint praise at the beginning of his speech, but later he treated him almost as a member of the Opposition, whereas I can assure members that Mr. Dickinson is entirely outside politics and he would be holding his present office even if by some remote possibility a Labor Government were in office. We have heard speeches by the members for Stuart and Burra, who both come from our northern areas, yet it would be impossible to imagine any two men whose outlooks on this subject differed so much. One was obviously filled with enthusiasm for the good of his State and his country, the other appeared to be filled with equal enthusiasm for a certain section of the community only. In fact the latter member did not debate the motion at all, but merely criticized certain remarks which had been quoted from Mr. Dickinson's report.

A number of members seem to have conveniently or accidentally mis-understood the implications of the motion. It is not a political motion, nor was it ever intended as such. The Labor Party seeks no political capital from it and hopes that it will not be considered a political motion merely because it happens to have been introduced by a member of the Opposition. It is introduced for the good of the State and for the ultimate benefit of the Commonwealth. It has been said many times in this debate that the Director of Mines and Government Geologist, in his customary thorough and completely competent manner had, after an enormous amount of research, assembled irrefutable data, facts and figures

to prove that an inquiry into the desirability of establishing a steel works in this State is an urgent necessity. It might be timely if I drew members' attention to the terms of the motion. It may be printed on the Notice Paper, but there seems to be a difficulty on the part of some members to comprehend it. It states:—

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.

The important words there are "to inquire into the desirability" and "steps to be taken to implement recommendations". Members on this side simply ask for a complete and detailed investigation into the possibility of the establishment of a steel works in this State. We realize that such an undertaking would require much capital, forethought and inquiry into detail, therefore this matter should be proceeded with, not in a hurry, but only after thorough and painstaking investigation as is suggested by the motion. The Government apparently agrees that haste is not necessary and it certainly could not be accused of hurrying in this matter for, although Mr. Dickinson has recommended this inquiry at least since 1948, up to the present his recommendations have had no noticeable effect.

In 1937 Parliament passed the Broken Hill Proprietary Co's. Indenture Act which gave the B.H.P. special rights to iron ore deposits in the Middleback ranges and to establish blast furnaces and shipping facilities at Whyalla. When giving evidence before the Select Committee which inquired into the provisions of that legislation before it became law, Mr. Essington Lewis, Chairman of Directors of the B.H.P., said:—

We (the Directors of the B.H.P.), 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.

They could perhaps be situated at Gawler, although Mr. Essington Lewis did not suggest that.

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.

Undoubtedly all members will agree with these comments, which were made in 1937. I realize that the war was responsible for many changes and temporarily the emphasis and direction of the steel industry, and indeed of most industries, were changed. However, to return to my earlier point, we do not consider that steel works should be established in a hurry and we desire the fullest consideration of all the implications of the proposal. We believe that Government action to meet the needs of Australia and South Australia with South Australian iron, treated in South Australia, for the benefit not only of South Australia but Australia is a necessity and that the Select Committee's report will prove this, but we have no desire to thrust our ideas down anyone's throat. We want the Select Committee to prove our contention.

The value of steel in modern times cannot be over-estimated. If members were to jot down the number of things they can think of in which iron or steel is used and compare it with lists prepared by other members they would realize that it is an extraordinarily long list. In all probability similar work to that mentioned in the motion will be commenced at Bowen in Queensland and there is a possibility of similar work being undertaken in Western Australia. We believe that the Select Committee will report that it should be done here where there are iron deposits. In 1949-50 Australia imported the equivalent of 762,000 tons of ingot steel; in 1950-51, 1,119,000 tons and in 1951-52, 1,138,000 tons at prices 100 per cent and more above the cost of Australian steel. These figures do not include fabricated steel products—steel for buildings, factory plant and houses, etc. During those three years it cost Australia in premiums for imported steel, compared with Australian steel, more than sufficient to finance the proposed steel works. Most members would probably be satisfied that that is a supreme argument for the steel works but we want to be more than satisfied. We expect that the Select Committee will further emphasize the necessity for these works. It is our belief that there is already proof of their utmost importance but in a scheme of this magnitude we must be 100 per cent satisfied and we are confident the report of the Select Committee will vindicate our claim.

I do not normally parade the Communist bogey. I despise our local breed of so-called

Communists too much for that but I feel differently with regard to the overseas variety of this obnoxious specimen. Australia is a long way from the Western world but we are geographically close to South-East Asia in which there is considerably more than 50 per cent of the world's population and where the population is growing. It is not an empty statement to suggest that the threat of Communist domination and aggression grows greater minute by minute. Surely, we must agree with the Director of Mines and other notable authorities that it is the duty of this House to support any measure to build up Australia's industrial strength. I envisage Australia as one of the greatest industrial nations in the world. Our industrial potential is enormous and I firmly believe that this motion will lead to a favourable report from the Select Committee and that the establishment of a steel works will represent a large step towards industrial strength which is so much to be desired. I support the motion.

Mr. LAWN (Adelaide)—I support this motion which merely seeks the appointment of a Select Committee to investigate and report upon a suggestion made by a most valuable officer of the State. I feel that the motion will receive almost unanimous support irrespective of members' Party affiliations. Some may be disinclined to support it because it savours of Socialism but I emphasize that the Director of Mines has suggested that the Broken Hill Proprietary Company should be a large shareholder in the concern. That, of course, is not straight out Socialism but possibly some Government members may regard it as suspect. I remind the member for Burra and others with similar ideas that whilst at one time they would probably have preferred the House to have rejected the legislation to take over control of the Adelaide Electricity Supply Company they frequently ask the Government whether the trust proposes supplying power to their constituents. It is easy for a member to say, "I do not like Socialism" and then to ask for the advantages under it. Over the years the Labor Party has been charged with being a party of repudiation. In 1937 the B.H.P. said that if an adequate water supply were provided a steel works would be established within the State. The company did not promise to establish the works at Whyalla but in close proximity to it. Parliament should examine the position to see whether the company has not had time to implement its promise or whether it has, in fact, repudiated it.

The report of the Director of Mines is a timely reminder that a move should be made to establish steel works in this State. Members opposite do not favour socialism because they say private enterprise on a competitive basis can produce better results than State-owned undertakings. Our iron ore must be mined, placed on ships and taken hundreds of miles around the sea coast to the eastern States. That does not indicate efficiency, and if a Government operated in that way it would be severely criticized. I can almost hear what the members would say. I am fair-minded in this matter and would like the proposal to be investigated by a Select Committee. I do not say that steel works should be established near Whyalla. I am prepared to let the evidence be considered by a competent committee. Some members say they do not like socialism or unification, and that South Australia and Western Australia would suffer if more control were placed with the Commonwealth. That might happen under a Liberal Government, and I have in mind what happened in the Commonwealth Parliament this year. South Australia was to have the Presidentship, Speakership, and two Cabinet positions, but Liberal opposition from New South Wales was too great, and South Australia lost one of those positions. A Select Committee could consider whether or not it would be economic and efficient to treat the iron ore in this State.

Mr. Shannon—Under unification what chance would there be of getting the other States to allow the deposits to be treated here?

Mr. LAWN—In the years of the war I was a union secretary and members of my organization who were concerned with the motor industry were out of work. We had the largest factories in South Australia idle because the Menzies Government gave contracts to employers in the eastern States. The employers here asked us to join in an approach to that Government to get contracts allotted to South Australia. We did so, but failed. When there was a change of Government another approach was made and we were told that the Labor Government had decided to build more factories in South Australia to provide more employment. Almost overnight the motor industry reabsorbed the dismissed employees. So much labour was engaged that the factories were able to work 24 hours a day seven days a week. That was when the Hon. Norman Makin was the Minister in charge of munitions production. Later South Australia benefited by having private enterprise allotted the buildings erected by the Commonwealth Labor Government.

Many of the industries now at Finsbury are in premises provided by that Government in war-time.

The Hon. M. McIntosh—Are you sure of those facts?

Mr. LAWN—Yes, and so is the Minister.

The Hon. M. McIntosh—The Menzies Government started operations at Finsbury and Salisbury.

Mr. LAWN—It hurts some people when the truth is told. The Liberal Party tries to hide the truth and at times has found it necessary to muzzle the press, which is run by the Party and vested interests.

The Hon. M. McIntosh—I hope the press is listening.

Mr. LAWN—In this morning's *Advertiser* nothing was said about my remarks last night, when we were talking about vested interests. Government supporters always get a good report in the press.

Mr. Brookman—Do you say you are unfairly treated by the Adelaide press?

Mr. LAWN—Never since I have been a member has the *Advertiser* given me a go. It could have given me a better go about what I said last night. In the three years that I have been here the Leader of the Opposition has not received a fair go from the paper. Mr. Hawker had little to say about the motion, but pointed out that Mr. Dickinson had gone outside the realm of his technical knowledge. He might know something about sheep or galahs but is he competent to say that? No member of the House should suggest it. Mr. Dickinson is aware that South Australia has a considerable quantity of iron ore available, but he probably does not know the extent of the deposits. He is a capable officer and on more than one occasion has been praised by the Premier. With my limited knowledge I believe him to be thoroughly competent and I would have confidence in any mining report presented by him. I would place more confidence in one of his reports than I would in remarks by a member who claims to be a farmer, whether he handles sheep, goats or wheat. I remind members that in the report there was no suggestion that the State should alone establish steel works. Under Mr. Dickinson's proposal there would be an opportunity for the B.H.P. Coy., the public, and the Commonwealth and State Governments to be shareholders. What would be wrong with that? The State supplied the works with water when required, and I see no reason why we cannot join in any such enterprise, because no individual or group can claim they put the

iron ore in the ground at Whyalla. It belongs to the people—the earth and everything in it belongs to them. Something has happened since God made this world. Although these things were put in the ground for the people, someone has come along and said, “These things do not belong to you, they belong to us.” I am reminded that the iron ore in the ground at Whyalla did belong to the people at one time, but it has been said that it now belongs to the B.H.P. shareholders. I see no reason why the people should not go along and say, “It is all very well for you to say you own the iron ore, but we are going to have a say in its treatment and making it into steel. We will invest our money. We will not confiscate anything from you that was not confiscated from us, but we will put our money into it and buy some back, so that we will have a say in the treatment of the ore coming out of the ground that we once owned.” By doing what the Director of Mines suggests, the people would not be buying back at the same price as was originally paid. The Government emphasized that steel works could have been built some years ago for less than the £100,000,000 estimated by the Director, and during the debate the Premier said it was doubtful whether that amount would be sufficient now.

Mr. Quirke—Recently £66,000,000 was subscribed to a loan in this State within one month.

The Hon. M. McIntosh—That shows what confidence the people have in the Liberal Government.

Mr. LAWN—Of course, the Minister of Works would have to claim that the Liberal Party has the confidence of the people, but it is strange how inconsistent they are on that side of the House, how they stick their necks out to be chopped off. The Premier was given a pep talk yesterday by the Prime Minister who said that the people have confidence in the Government, and that they are going to win the next elections, yet 24 hours later they doubt whether they could raise the money for this undertaking. Because £66,000,000 was subscribed to the loan, the Government considers it has today that amount of money more than it had yesterday. That may sound sensible to others, but to me it sounds a funny story.

The word “socialism” seems to be taboo in this House unless it is introduced by the Government. I think this matter could be considered as partly socialistic; I will not go as far as to say that it is so, although perhaps

it could in all sincerity be considered to be. The Government introduced the Bill which provided for taking over the control of electricity. That is not termed “socialism,” although honourable members now want to reap the benefits of that legislation. The trust caters for people the company would never have catered for, in the same way as the railways, if run by private enterprise, would not have provided for the country people because it would not pay to do so. Railways are nationalized and socialized. There are members in this House who do not believe in socialism, but are very grateful for the services of the railways in their districts.

Mr. Macgillivray—Who are they?

Mr. LAWN—They are sitting on the Government side of the House. The suggestion of the Director of Mines that the public and the State should be entitled to be shareholders in the proposed steelworks is not actually the motion before the House; it is purely to establish a Select Committee to investigate all the aspects concerning the establishment of steelworks. If a committee is set up, it may make recommendations along the lines suggested by the Director of Mines, it may accept some of those suggestions, or on the other hand it may reject all those supplementary suggestions and recommend that the B.H.P. should still be permitted to carry on a monopoly. The committee, of course, may recommend against the establishment of a steelworks. All the motion asks the House to do is to state whether, in the interests of the State, some inquiry should be made. I ask members to support the motion.

Mr. MACGILLIVRAY secured the adjournment of the debate.

#### THE ESTIMATES.

In Committee of Supply.

(Continued from October 22. Page 1150.)

#### ATTORNEY-GENERAL.

Attorney-General's Department, £17,043; Crown Solicitor's Department, £24,660; Parliamentary Draftsman's Department, £5,614; Public Trustee's Department, £45,272; Supreme Court Department, £54,862; Adelaide Local Court Department, £24,587; Adelaide Police Court Department, £26,521—passed.

Country and Suburban Courts Department, £38,967.

Mr. O'HALLORAN—I am concerned about the question of the appointment of honorary magistrates and justices of the peace in the country. The principle was established some years ago by a former Attorney-General that

public servants, whether State or Commonwealth, should not be appointed as justices unless recommended by the head of the department. In my district it is extremely difficult in many areas to secure persons who are prepared to accept appointment, but there are many public servants, particularly State railway employees, who would make admirable justices. Their non-appointment causes not only an inconvenience to the public but an injustice to the employees concerned, for it deprives them of some of the civil rights that all citizens are supposed to enjoy. Much legislation has been passed by the Federal and State Parliaments entailing compilation and witnessing of declaration forms. If a justice cannot be found in one's locality one often has to travel many miles to get a form witnessed.

Mr. HUTCHENS—Many public servants have a high educational standard, so they would be well qualified for appointment.

Mr. O'HALLORAN—Exactly. I have discussed this matter with the Attorney-General but he argues that public servants may not be readily available for court work because it might interfere with their ordinary duties. In the old days it was found possible to allow men to change shifts so they could carry out their duties as justices. This matter is of some importance and should receive the Government's consideration.

Line passed.

Coroner's Department, £3,864; Registrar-General of Deeds Department, £81,653; Miscellaneous, £7,153—passed.

#### TREASURER AND MINISTER OF IMMIGRATION.

Treasury Department, £27,028; Superannuation Department, £35,223; Motor Vehicles Department, £146,304—passed.

Agent-General in England Department, £26,215.

Mr. PEARSON—I pay a tribute to the services rendered by the newly appointed Agent-General in England, Mr. Greenham. I am not personally known to him, but I pay this tribute at the express request of several friends who have recently been to the Old Country and who have highly praised Mr. Greenham for his work and the assistance rendered to South Australians.

Mr. GEOFFREY CLARKE—The Estimates state that the salary of the Agent-General and Trade Commissioner will be £2,000 sterling per annum, but I cannot reconcile that with the £2,300 Australian proposed, nor can I reconcile the Agent-General's allowance at £1,000 sterling with the £1,150 Australian provided. Has the

Government some facility for remitting money to England at a lower rate of exchange than have private persons?

The Hon. T. PLAYFORD—No, unfortunately. If we had, we should not have to impose such heavy taxation.

Mr. GEOFFREY CLARKE—It seems that the vote for the Agent-General's salary should be at least £2,500 Australian.

The Hon. T. PLAYFORD—The amount proposed will be adequate to meet his salary, for he was not appointed on July 1.

Line passed.

Land Tax Department, £72,601; Stamp and Succession Duties Department, £23,904—passed.

Publicity and Tourist Bureau and Immigration Department, £149,045.

Mr. HUTCHENS—A grant of £300 is provided for the Surf Lifesaving Association, and I want to express on its behalf appreciation of this grant. It is the first time that any contribution has been made by the Government and the members of the association are very grateful and will show their appreciation by service to the public. Under another name its members have been patrolling the beaches for many years, and last year 70 lives were saved by these young men. They desire to improve their service and to do it require a good deal of equipment, and this money will be used for that purpose.

Mr. BROOKMAN—Although no amount is set down for expenditure on Kelly's Hill Caves on Kangaroo Island, £400 is provided for a telephone service. Does this represent the final expenditure on the development of this tourist resort?

The Hon. T. PLAYFORD—The ultimate expenditure will depend upon the patronage of the resort. Expenditure on a telephone service was deferred last year as it was not considered particularly urgent, but it was subsequently found that certain people who were to share the service in this locality with us were being deprived of it pending our coming into the arrangements. Consequently, we had either to come into the scheme and meet our share of the costs, or it would go ahead without us, or be abandoned. I know of no outstanding expenditure under this heading. Good improvements have been made and, with the co-operation of the Department of Agriculture, the services of its apiarist have been obtained as caretaker.

Mr. WHITE—I take this opportunity to express appreciation of what the Tourist Bureau has done for people in my district. The Murray Bridge Corporation applied on

several occasion for assistance to improve a reserve which has been under water on several occasions and to provide conveniences in South Park to make it suitable as a caravan park. The bureau has allocated about £1,700 and this money has been very much appreciated. The River Murray has a great deal to offer tourists and I particularly refer to a drive which I feel is not sufficiently known to the people of the State and which could be given a great deal more publicity by the Tourist Bureau, namely, from Mannum to Caurnamont, crossing the river at Purnong and back to Mannum. Most of that route follows the river and affords an opportunity for tourists to see typical Australian scenery.

Mr. CHRISTIAN—Last year £4,400 was provided for a house for our New South Wales representative. What was the purpose of that expenditure and whom did it benefit?

The Hon. T. PLAYFORD—For a number of years we have had a representative of our bureau stationed at the New South Wales bureau in Sydney. Normally it is the practice of Governments to exchange courtesies by providing their respective representatives with accommodation, but in this case the New South Wales Government intimated that the housing shortage was so acute there that it could not do so. We endeavoured to rent a house, but rents were so exorbitant that we were forced to purchase one, in which we had the assistance of the New South Wales Architect-in-Chief.

Mr. WILLIAM JENKINS—A sum of £250 is provided towards the cost of sending country delegates to the Good Neighbour Council. This body is doing grand work in assisting new Australians into our way of life, particularly at the naturalization centres in the country and I commend the line most heartily.

Mr. STEPHENS—A sum of £16,350 is proposed for accommodation, fares, etc., of immigrants. Will the Treasurer explain what the amount is for?

The Hon. T. PLAYFORD—When migrants arrive, whether they are nominated or displaced persons brought here under the Commonwealth Government scheme, they are accommodated at Government hostels—it may be for only a few day—until they go to their nominators or are otherwise placed. When nominated migration fell off the Government had some surplus accommodation, some of which was made available to migrants who had been brought out by the Railways Department and some to wives of migrants who had come out to join the armed services. In almost every instance the money is reimbursed to the State.

Mr. MACGILLIVRAY—I would be somewhat remiss if I did not join with other members in eulogies to this department for what it has done. I am grateful to see that provision is made for Renmark to receive £1,000 to help repair damage done to the wharves during the recent flood, and that Berri is to receive an equal amount to repair damage to river banks. The councils concerned are very grateful to the Government and the Tourist Bureau for the help given.

Line passed.

Prices Control Department, £70,000.

Mr. STEPHENS—The amount provided for salaries and wages is £62,000 which is more than £10,000 less than was voted last year, and the services of 12 officers are to be dispensed with. Therefore it would appear that we are not to have as much price control as previously. Price control must be linked up with the recent action of the Federal Arbitration Court in abolishing the quarterly adjustment of the basic wage. The result is that workers will receive a reduction in real wages, and if we are to have less price control we shall open the door to further increased costs.

The CHAIRMAN—Order! We have on the files a Bill providing for a continuance of price control, and the honourable member could then discuss this matter.

Mr. STEPHENS—If this line is passed we say in effect that we endorse the action of reducing the number of price control officers, thus indicating that we do not want price control. When arbitration was introduced the question of the cost of living also received consideration.

The CHAIRMAN—The honourable member is not in order in linking up arbitration with the cost of living.

Mr. STEPHENS—Instead, I could substitute reference to the recent decision of the Arbitration Court in freezing the basic wage.

The CHAIRMAN—I cannot see how the honourable member can link up arbitration with the operations of the Prices Branch.

Mr. STEPHENS—That is what I am coming to. There was no Prices Branch when the Arbitration Court came into being, but one has since been established, and it has had some effect on the cost of living. If we agree to this line we in effect are reverting to the position when there was no price control. The services of 12 officers in the Prices Department have been dispensed with, and therefore the department will be unable to do the work it did previously. Are producers to be allowed to charge what they like for their products?



If prices are not controlled they will rise and this will affect the cost of living. Had the judges in the Commonwealth Arbitration Court known that price control was to be relaxed they would not have suspended the quarterly basic wage adjustments. The Government may see fit to dispense with the services of more officers of this department, and eventually there may be no department to control prices. This is not the right time to abolish the Prices Department; for the protection of the community we should have a stronger force of officers to police price control regulations. The confused potato position shows that proper control is not exercised over the prices. Any person can get any product he wants no matter how short its supply so long as he is prepared to pay the price required by the seller. If prices rise and wages are pegged, the real value of wages will fall. The abolition of this department would mean that the go-getter and the black marketeer would operate unchecked.

The Hon. T. PLAYFORD—There is a reduction in the number of officers in the Prices Department this year because the number of items controlled has been substantially reduced. Today many items previously under price control are in plentiful supply and therefore have been freed from control.

Mr. Stephens—Have such articles become any cheaper?

The Hon. T. PLAYFORD—Some have. The honourable member is wrong in assuming that price control can fundamentally alter the economic structure of a country, although in some cases it can slow down increases and regulate profit margins. Price control is probably more effective today in respect of the items controlled than it has been at any time during the past five years because of the smaller number of items with regard to which inquiries must be made. Within the last few days C series index numbers were published for the various States. We have not dismissed any officers of the Prices Department, but some have been transferred and others have reached the age of retirement. The department has not been rendered inoperative. The index figures provided by the Federal Arbitration Court have nothing to do with State computations.

Mr. Jennings—The point is that other States will get the cost of living increase and we won't.

The Hon. T. PLAYFORD—There is no purpose to be served in forcing up the cost of living and I strongly believe that Australia

has reached a stage at which she must keep a close watch on costs. If our industries are to function efficiently and we are to export successfully we must supervise our costs of production. An increase in costs was brought about because another State decontrolled the price of potatoes and disrupted our market. We have been able to maintain supplies at a reasonable price because of importation from Western Australia. We are not controlling as many items as previously and the items decontrolled are those in plentiful supply in respect of which there is competition. If inspectors serve no useful purpose there is no point in retaining them. The Government proposes to control prices only on items where it is necessary to prevent unfair advantage being taken of the public.

[Sitting suspended from 6 to 7.30 p.m.]

Mr. HAWKER—Mr. Dickinson points out in the report mentioned in another debate that the contributing factors to the shortage of steel are shortage of labour and coal, and price control. According to Mr. Dickinson price control contributes to shortages.

Mr. SHANNON—The Opposition apparently favour building up price control and appear to believe that ordering people about is the way to safeguard our economy. According to them it does not matter how many people are employed to order one individual around, those doing the ordering are acting in the interests of the economy of the State. I see no force in that argument and believe that there are too many drones in our society who toil not, nor spin, nor do anything for the economy of the State. They are merely employed to supervise the activities of some persons in industry or business to see that they do not do anything wrongful to another section of the community. The member for Port Adelaide not only sought to maintain this department but urged its enlargement. He entered Parliament when I did, in 1933, and prior to the war had experience of a society in which there were no inspectors investigating other peoples' businesses. I do not remember any vital matters arising during the period prior to price control. Healthy competition more than anything else will cure the ills of society. I am pleased to notice that there has been a reduction of about 12 in the staff of the Prices Department and that that reduction represents a saving of £8,811. However, it costs the State about

£1,000 a year for each employee in this department. Since we took over price control from the Commonwealth, we have abolished control on many items.

The Hon. T. Playford—About 4,000.

Mr. SHANNON—Yes, and we are now controlling between 250 to 300 items. I believe we might have effected bigger savings in this department. I would prefer less chasing of persons by inspectors to ascertain whether or not they are exceeding a legitimate margin of profit. The department could rely on complaints from purchasers about extortionate prices. If a man is seeking an excessive margin of profit customers complain and that frequently leads to an investigation by departmental officers. It would be an adequate safeguard and the number of persons employed could be further reduced. I do not believe that business people are robbers. They are honest citizens like people in other walks of life. I do not accept charges by Opposition members that they would, if given an open go, rob the man on the basic wage. I look forward to the time when controls will go entirely and our citizens can carry on business in open competition with their fellows and give the service the public demands. That should be the policy pursued by a sane Government, which we have in South Australia. When the matter is reviewed again and there can be a further reduction in personnel without interfering with the supervision over the articles still under price control I shall be all for it.

Mr. DUNSTAN—When Mr. Shannon mentions a return to good healthy competition he is talking about something which most unfortunately we have seen the last of, not because of Government action but because of the simple evolution of our economy. We cannot turn the clock back to the 17th century and it is time members opposite realized that and started thinking in terms of the 20th century. During the last year one of the decontrolling activities was in relation to Commonwealth Hostels Ltd. On October 16 last year the Government gazetted a special order specifically exempting the company, which was a private company limited by guarantee and incorporated in Victoria, from control provisions in respect of board and lodging. It placed the company in a privileged position. At the time a case was pending in the High Court on the validity of charges made by the company. Later the court found that the charges were invalid and that the maximum price chargeable, up to the time of the exemption, was 35s. a week for each adult person.

After the decision of the court the Commonwealth Minister, who has a controlling interest in the company under an agreement in its articles, announced that in order to avoid further litigation the company would make *ex gratia* payments to the migrants of the sums paid by them in excess of 35s. a week; that is, the amounts illegally obtained from them. A few received cheques but it was found that the company said, "We will deduct from you the amount you did not pay to us, but which we legally demanded." That meant that if the migrant paid £8 a week and the price demanded was £9 a week, the company took £1 a week from his refund. Is that the care the Government is taking in price control matters? The South Australian Government was charged with price control and no company, regardless of whether it emanates from the Commonwealth or not, should be placed in a privileged position and be able to fleece people as the company has done and is doing.

The Hon. T. PLAYFORD—As soon as the company was formed by the Commonwealth the Prices Commissioner pointed out to it that in the opinion of the Prices Branch and myself it should be decontrolled, because when it had been registered as a private company it had not been connected closely enough with a Commonwealth instrumentality to be regarded as such an instrumentality. Commonwealth companies have never been controlled. Erroneously, the company made certain charges. The Prices Department in this State had no complaint whatever about the charges because they were always less than the actual cost of the services and the taxpayer was bearing the loss. Although the charges were high the cost of providing the services was heavy. When the question arose as to whether, being a Commonwealth instrumentality, the company should be decontrolled, it was decontrolled, not only in South Australia with its Liberal Government, but also in New South Wales, under a Labor Government and in Victoria with the support of the Labor Party. Now there is a Labor Government in Victoria, but there has been no attempt to recontrol. If we did so here the charges, in accordance with the price-fixing principles, would have to be sufficient to cover the cost of the services and they would be higher than the amount now charged. This company has been a notorious loser of money at the taxpayer's expense. This is an unusual form of subsidizing one part of the community at the expense of another. As this is a Commonwealth matter I do not propose to go further into it except to point out

that big losses are indicated in the Commonwealth Auditor-General's balance-sheet, and following a case recently decided in Victoria on the price of beer, the company would have no difficulty in getting an order from the Prices Department to cover those losses. Price control is being effectively carried out in this State if the Statistician's index figures have any bearing on the subject, and we are led to believe they have because until recently they were taken as official figures for the adjustment of the basic wage. A Bill on this topic is now before the House and I believe that all aspects of it can be better discussed during the debate on it.

Line passed.

Building Materials Office, £100—passed.

Miscellaneous, £5,023,012.

Mr. O'HALLORAN—This year £600,000 is provided as a contribution towards working expenses of the Municipal Tramways Trust. When legislation was being considered last year we were told that about £1,200,000 would have to be made available to the trust during the ensuing five years to place the tramways system on its feet. Members were influenced by the fact that the amount could not exceed £1,200,000, yet last year £700,000 was voted and spent, and this year £600,000 is proposed, which no doubt will be spent. As we have to support the trust financially for another three years, at the rate of expenditure allowed this year the Government will be involved in a further expenditure of £1,800,000. Can the Treasurer give some idea where this undertaking is drifting, or if there is a possibility of an improvement in its financial position?

The Hon. T. PLAYFORD—As the Leader of the Opposition said, when the Bill was before the House I stated that I had given an assurance to the contributing councils that the Government would make certain grants to the trust to enable it to reorganize the system during the next five years. The amounts were decreasing amounts and, speaking from memory, £500,000 was to be provided for the first year, £350,000 for the second, £250,000 for the third, £150,000 for the fourth, and £50,000 for the fifth year. The new board has tackled its duties in a very resolute way. It has drawn up a complete plan of reorganization and has obtained expert advice from overseas to confirm its opinion. I have discussed the trust's position with these experts, and it is clear that the system was very much more run down than my officers thought, so more money will have to be spent in reorganizing it than expected. On the

other hand, the reports confirm the view that it is possible to provide an efficient service for the people of Adelaide at a reasonable price and upon a basis which will not require a permanent subsidy. I believe the Tramways Trust will be established as a self-supporting public utility, charging reasonable fares to passengers.

Mr. Stott—After how much money has been voted for it?

The Hon. T. PLAYFORD—It will probably be necessary to vote varying grants for up to five years, for the reorganization will take some time. A transport system in a large city like Adelaide cannot be transformed overnight, but if we do not provide the necessary grants it will be completely destroyed. Fares should not be raised any higher, especially as quarterly adjustments of the basic wage have been suspended. Experience in Adelaide and in other cities has proved that increasing fares is not a solution, for more people are diverted from the tramways. Of course, we could abolish the system and allow private buses to operate where they can, but that would not relieve the Government of heavy losses because the Treasury's security as first debenture holder in the trust would not be worth much. The assistance we are giving to the trust has not embarrassed me before the Grants Commission because other States are also assisting in this way. It is in the best interests of the people of the metropolitan area, indeed of the whole State, to help the undertaking because industry depends on the trust to transport workers. The amount required is in excess of what I assured the constituent councils would be provided by the Government, but reorganization is taking place more quickly than we expected.

Mr. HAWKER—I am doubtful whether public transport will ever be able to carry on without support from the Treasurer. The Treasurer said we have already spent as much in two years on the tramways as the Leader of the Opposition pointed out was anticipated we would spend in five, because the reorganization has been proceeding much more quickly than expected, but it will require further assistance. The committee that inquired into the finances and administration of the trust mentioned the good work private buses were doing on light traffic lines. It stated:—

These private services, which are licensed under the powers given under section 30 of the Municipal Tramways Trust Act, operate successfully on light traffic routes which, if operated by the trust, would involve it in very heavy additional losses.

The committee recommended that as far as possible these light traffic routes should be handed over to private bus operators. Has that recommendation been adopted?

The Hon. T. PLAYFORD—A considerable number of private operators run services in the metropolitan area, and it is true that their losses are not as heavy as the trust's. Firstly, the trust seeks to give a service to the public by providing a minimum number of trips each hour, but the licensee normally will not run a bus unless he is assured of a payable load. Secondly, for some time the trust has been under some difficulty over the question of its operators collecting fares as well as driving. Of course, the bus driver on a private route collects fares as well as driving the vehicle, so to that extent the licensee has a big advantage over the trust. However, I was pleased to see recently that substantial agreement had been reached between the trust and the employees' union. The union has agreed to one-man buses being employed in the slack periods, and that will mean a big saving. This system operates successfully in other countries.

Mr. MACGILLIVRAY—While listening to the Leader of the Opposition I was reminded of a truism that is heard both inside and outside the House, that what the Independents say today Party politicians say tomorrow. It is a little late in the day for the Treasurer to tell us of all the losses that have occurred in the Tramways Trust. If he and the Leader of the Opposition had taken notice of what the Independents said would happen they would have been saved from their present embarrassment. Money was being provided to the trust for which it was not responsible. Independents were not opposed to the money being made available in the form of a loan. The Treasurer asks the Committee to believe there is no alternative to what it is now asked to approve. He said the Committee must agree to this gift to the trust and to continue to provide it with money, otherwise the tramways system must close altogether. That is an extraordinary statement coming from the Treasurer, who had one of his departmental officers as chairman of the trust which allowed the present mess to develop. It has rightly been pointed out that the imposition of a small rate on the increased value resulting to properties from the operation of the tramways would be more than sufficient to offset its losses.

It is the habit of this Parliament to pander to the city of Adelaide at the expense of the country taxpayer. The Government would not

consider placing the financial responsibility where it rightly belonged. Those who support this practice of frittering away public funds for the metropolitan area would not be prepared to apply the same principle to the country. At present country districts are struggling to supply their residents with essential services. If a country transport system made a loss and the Treasurer were approached to assist it he would say that it was not the State Government's responsibility, but country members are expected to vote financial assistance to overcome losses on the metropolitan transport system. If a transport system run in the most thickly populated portion of the State cannot be made to pay there is something wrong with the management. The true facts of the Tramways Trust have never been placed before Parliament.

The CHAIRMAN—Order! There is too much noise. I ask honourable members not to converse aloud as I cannot hear what the member for Chaffey is saying.

Mr. MACGILLIVRAY—The details submitted have been misleading to the Committee. The comments of the Auditor-General in his annual report concerning the tramways should be inserted in *Hansard* so that country people can read them and see how their money has been frittered away. The following appears on page 164:—

The accounts of the trust were not received in time to permit a complete examination to be made of them before publication in this report. Substantial changes in the financial statements involving new conceptions and form of presentation have been adopted by the trust in order to show up clearly the effect upon its finances of—

- (a) past losses incurred in operations;
- (b) the very high proportion of rolling-stock, plant, and equipment which has already passed its reasonable economic life, for which insufficient provision exists to meet the expired capital outlay; and
- (c) the trust's decision that the only practical means to retrieve the situation is an extensive and radical reorganization of the passenger transport system, including the replacement of trams with buses.

Whilst there has not been time yet to examine these adjustments in detail, the principles adopted by the trust (in bringing to account accrued depreciation and other accrued liabilities and capital losses) would seem appropriate and proper in the extraordinary circumstances. That is a very strong statement from a responsible officer such as the Auditor-General against

a body such as the Tramways Trust. Later on he says:—

The balance-sheet has also been divided into two sections on similar principles to the division in the revenue account. The first section comprises current and fixed assets still used in the undertaking, less current liabilities, accrued depreciation and accrued obligation for restoration of roadways. The resultant figure (£1,794,482), represents what the trust considers to be the net book value of assets in use at 30th June, 1953.

The second section purports to show the funds expended (£3,757,203) for which the trust is responsible, but which are not represented by assets. In addition to losses shown in past and current revenue statements (£1,718,349) the trust has brought to account the following revenue and capital losses estimated to have accrued but which have not previously been brought to account:—

	£
(a) Depreciation accrued but not provided . . . . .	1,329,943
(b) Obligation for restoration of roadways accrued, but not provided . . . . .	368,572
(c) Capital loss on H1 tram car construction—Expenditure on preliminary work, tooling, and work in process, £88,092; provision for loss on disposal of materials and equipment, £110,763 . .	198,855
(d) Accrued liability for staff superannuation . . . . .	141,484
	<hr/> £2,038,854

Thus the balance-sheet indicates that funds amounting to £3,757,203 (or more than two-thirds of the net borrowings from the Government) have been lost.

Has this Committee been told that it is likely to be asked to support the expenditure of taxpayers' money in this direction for years to come? In dealing with the trust's staff superannuation scheme the Auditor-General had this to say:—

The amount of liability is £137,414. During 1936 and 1940 the trust arranged with an insurance company a staff superannuation scheme, which gave status in the scheme to the staff in accordance with past service. The trust arranged with the insurance company that the accrued liability in respect of that past service should be met by deferred future payments, with interest, over a number of years. This accrued liability has not hitherto been brought into the accounts of the trust, with the result that the net worth of the undertaking has been correspondingly overstated.

What would happen if a private company tried to float a new share issue and gave the same sort of false balances as have been presented to Parliament? In his apologia for the state of affairs in the Tramways Trust the Premier pointed out that his officer, who was formerly

chairman of the trust and one who we would imagine would be engaged in the examination of accounts, knew nothing about the depreciation of tramways, but I point out that that officer is a Treasury official and that if he knew he must have deliberately refrained from reporting the true state of affairs to the Premier or Parliament. The whole position should be examined even at this late stage by a special committee set up by Parliament to protect the taxpayers' money, which is the first responsibility of Parliament.

I do not suggest that the whole of the tramways system should be closed down, but the special committee could go into the question of which unprofitable lines should be closed down and handed over to private enterprise. Then the losses on those lines would not have to be borne by the taxpayer. I realize that I am only beating the air and that both major Parties are embroiled in this matter up to their necks. Last year the only members who took a stand on behalf of the taxpayers, particularly country taxpayers, and voted against the additional grant to the trust were the Independents. Taxpayers cannot continue paying indefinitely for the losses on Socialistic undertakings, and the sooner members realize their responsibilities on this question the better it will be for the State as a whole.

Mr. MICHAEL—The sum of £20,000 has been provided as a grant to the Electricity Trust under the Electricity Supplies (Country Areas) Act. I commend the Government for this grant which will be used to extend those services to areas which members had in mind when the Act was passed. In older districts with comparatively small holdings farmers may be living close together, but present-day high costs make it impossible for them to obtain electricity supplies without assistance. It is essential that assistance be given so that they may have the advantage of amenities available in the city and be encouraged to remain on the land. In a district in which the member for Gawler and I are interested and in which there is no big industry to use payable quantities of electricity, the trust found from investigations that it would be impossible to give landholders the service at a price which they could be reasonably expected to pay, but it is hoped that they will be given some assistance from this grant. Will the Treasurer do everything in his power to expedite the implementation of the scheme, and can he say how it will work?

The Hon. T. PLAYFORD—The scheme has two aspects. Firstly, there is the case where the Government makes a grant to an authority already established in the country to enable it to extend its services. The Government has already made a number of such grants and much useful work has been undertaken. Grants under this scheme have been made to districts as far west as Ceduna from which Thevenard is served. Assistance has also been given to other districts, and those grants have taken the form of capital assistance. Secondly, there is a scheme under which a grant is made to the trust to enable it to extend its services, but one or two problems arise in connection with this. Some formula must be found which does not involve the trust in any profit or else the Government is immediately in trouble with the Grants Commission. If the Government makes a grant of, say, 50 per cent to the trust and that particular line ultimately shows a profit, the Government is immediately up against a principle laid down by the Grants Commission, therefore it is harder to arrive at a formula for the trust than for outside undertakings.

I have discussed this matter with the chairman of the trust and one or two guiding principles can now be accepted. Firstly, there is an upper limit beyond which we cannot go where it is so costly to take electricity that a subsidy would be unwarranted by the small number of services and their cost. Secondly, there is a lower limit. At present the trust has many services which have been extended on a surcharge basis and it is considered that the Government could fill the gap between the limit on the surcharge basis and what could be regarded as a reasonable upper limit. At present the maximum surcharge which the trust will consider is 70 per cent, and it may be that under this system another 20 or 30 per cent surcharge could be provided in the form of annual payments to the trust over a number of years. That proposition is being examined and I believe it will be ultimately accepted without involving us in any difficulties with the Grants Commission. The member for Light has three urgent cases awaiting a decision in his district, and I believe Mr. Teusner has another area where 30 or 40 consumers are awaiting a decision. The priority to apply in connection with those matters will be the same as that given to ordinary applications. They will be proceeded with in rotation in accordance with the order in which they were approved.

Mr. SHANNON—I was amazed at the indignation displayed by the member for

Chaffey when he referred to the financial morass in to which the State is getting the Tramways Trust. I could imagine him just as vehement in favour of continuance of subsidies on the railway which serves his area as he has been in his criticism of the subsidy to maintain the metropolitan transport service. I am convinced that he is not altogether sincere in his approach to these two problems. The railways are subsidized by the general taxpayer and he must admit that the railway serving his area incurs heavy losses on passenger transport. The railway passenger service in my district between Mount Pleasant and Bridgewater would hardly pay the costs of axle grease, but these matters must be examined in their proper perspective. The Government is taking a realistic view of the problem confronting the new body which has the onerous task of improving the financial position of the Tramways Trust. One of the major problems confronting all transport systems in these prosperous days is that most people can afford to own a motor car and drive to their places of employment daily. It would be interesting to know how many cars are parked in the metropolitan area every day because there is very little parking space vacant. I do not think anyone expects to enjoy this period of high prosperity forever and in time those persons who use their own vehicles will become customers of the street transport services. These factors create problems for those controlling our transport systems, whether railway or tramway. Wool is bringing such remunerative prices on the world market that wool-growers are transporting their produce in their own vehicles and more wool is travelling by road today than ever before.

Mr. Stott—Because it is much cheaper.

Mr. SHANNON—I doubt, that.

The CHAIRMAN—What line is the honourable member discussing?

Mr. SHANNON—I am referring to the lines "Transfer to railways, towards net increase in working costs not covered by increases in freights and fares, £3,200,000," and "Transfer to railways, towards debt charges on railway loan capital, £800,000." When we revert to a state of affairs in which the grower has to consider every factor in making ends meet the problems confronting transportation systems will not be so great. There are many factors which make it necessary for the railways to be assisted in their operations. I think Mr. Macgillivray's indignation was designed to put the Treasurer in what Mr. Macgillivray considered his place—that of

fairy godmother to the Tramways Trust. The Government is subsidizing the railways to a greater extent than it is subsidizing the tramways system but if the general taxpayer did not support the public transport systems they could not operate. Under the old system of management the trust could call upon constituent councils to make good the losses incurred, but it never exercised that power. If we made each area carry the losses incurred by the railways in that area I would not be happy because some could not possibly carry the burden. The State must accept the responsibility for developmental railways, so why is there a complaint when it is said that our street transport system must be kept going? If the power the old trust had to call on councils had been used there would have been an outcry and new councils would soon have been elected on a policy of not assisting the tramways. It was an impracticable approach to the matter of finance and the Government had to provide grants to keep the trams operating. I do not think they can be regarded as loans; we do not look at it that way when we make grants to the railways. I commend the Government for adopting a realistic attitude towards our transport problem and as the years go by I hope there will be a saner regard for our street transport system instead of people making so much use of their private motor cars.

Mr. LAWN—There has been undue criticism by country members against the grant of £600,000 to the Tramways Trust. People who use the trams have had to bear more than one increase in fares, and sections have been shortened, and they have made a fair contribution to losses. I have pointed out previously that the tramways system provides a service for the people. The trust does not run only services which pay, and it has a large overhead, which private bus operators do not have. About £4,000,000 is to be granted to the Railways Department, which does not supply a service only in the metropolitan area. Residents in the city have to pay full rates on goods carried on the railways, but the primary producers get concessions. Potato growers who refuse to sell their potatoes in Adelaide and send them by rail to Queensland, where they get £108 a ton, get concessional rates on our railways, and the general taxpayer has to foot the bill. The primary producer also has the concession of half rates for commercial motor vehicle registration. The member for Chaffey had the audacity to criticize the vote of £600,000 for the tramways when the irrigation areas he

represents are being heavily subsidized by the Government. The Auditor-General, on page 88 of his report, says that State Treasury funds employed in connection with irrigation and reclamation areas on the River Murray amount to over £4,000,000 and the total deficits over the past five years to £1,245,848. The taxpayers of South Australia have to find this £4,000,000 to subsidize the railways in order to give primary producers concessional rates, yet certain members have the audacity to say that we are pandering to the metropolitan area and should make old age pensioners and others in the city pay double or triple fares in order to make the tramways pay. Let us make a start with the irrigation areas. Let them pay back some of the money they owe us as taxpayers. The whole point of my argument is that we should try to see a little further than our own backyards. The member for Chaffey is only concerned with the law when it suits him. Last year he was asking almost every day for adequate railway services to carry goods from his district because of a strike in the river areas. He cannot now complain about the railways when it suits him, or say that the people of Adelaide should not have their transport services subsidized. I am not trying to justify the tramway losses, and they are of real concern to all members, but fares should not be doubled or trebled.

Mr. Macgillivray—Then who will pay for the losses?

Mr. LAWN—Does the honourable member suggest that the fares should be doubled or trebled? Does he think country people should pay double or treble for railway services?

Mr. Macgillivray—The primary producer gets few concessions.

Mr. LAWN—Concessions, whether in regard to tramway, railway, or motor vehicle fees, should be shared equally. The taxpayers are subsidizing many things, such as the railways and irrigation works. Country transport has been subsidized, yet we in the metropolitan area cannot get country produce. We have to get potatoes from Western Australia.

Mr. QUIRKE—I congratulate the member for Chaffey on again uniting the socialistic elements of this State. Tonight the Independents have had the extreme pleasure of watching the Treasurer chuckling with glee when he saw his worthy henchman, the member for Adelaide, attack the member for Chaffey, but obviously all Mr. Lawn's arguments were completely fallacious. The member for Onkaparinga, who has been the white-washing brush on many occasions—

The CHAIRMAN—Order! The honourable member cannot refer to him in that manner.

Mr. QUIRKE—Then I withdraw that remark, although the member for Onkaparinga has been called that before without objection. He attacked the member for Chaffey on exactly the same lines as did the member for Adelaide. That brought both sides of the House together in a common cause against country interests. The bulk of railway freights are paid by country people. If a ton of peas is sent to Adelaide for cleaning it comes down as primary production, but goes back as processed goods, so the countryman then has to pay double freight. The member for Adelaide mentioned potatoes, but the Prices Commissioner fixed a price for potatoes in Mount Gambier which was lower than the price in Victoria. Is it reasonable to expect the producer to market his product in South Australia when he can get £4 a ton more just across the border?

Mr. Davis—We can all become racketeers if we desire.

Mr. QUIRKE—That is not racketeering, but selling in the best market. The people the member for Port Pirie represents sell their labour in the best market, but I do not challenge their right to do so. The member for Chaffey referred to the tramway accounts, but every member that has spoken has completely sidetracked his argument. The Auditor-General stated:—

During 1936 and 1940 the trust arranged with an insurance company a staff superannuation scheme, which gave status in the scheme to the staff in accordance with past service. The trust arranged with the insurance company that the accrued liability in respect of that past service should be met by deferred future payments, with interest, over a number of years. This accrued liability has not hitherto been brought into the accounts of the trust, with the result that the net worth of the undertaking has been correspondingly overstated.

Can anyone, in criticizing the member for Chaffey, answer that challenge in the Auditor-General's report? An amount of £3,750,000 has gone irrevocably down the drain and the organization is completely and utterly run down. One only has to look at the tramway tracks in Adelaide, half of which are such that it would break a snake's back to walk down them. Previously, when we were asked to vote money for the tramways and the Independents asked why, they were accused of pitting city against country. I have always said that where country interests are concerned I will pit them against anyone if it is right

and proper to defend them. Let us look at the value of production in South Australia. The total for agricultural, pastoral and dairying products, poultry, mining and other primary products and factories, amounts to £186,662,000, of which only £82,000,000 is represented by secondary industries. When a farmer sends his wheat to the great milling organizations in Adelaide it results in providing employment for thousands in the metropolitan area, not only for the milling industry, but for the railways, bakers, bread carters and others, and then he has to pay for all the back loading. It is useless for honourable members to submit the utterly fallacious argument used here tonight, because we shall not accept it. Mr. Macgillivray's criticism has not been answered. The member for Adelaide stated that the losses on the Murray irrigation and reclamation areas had averaged approximately £250,000 for each of the last five years. That is in contradistinction to the losses on the tramways. All that the tramways returned for their losses was a ride to and from work for metropolitan workers; apart from that nothing accrued to the State, but millions of pounds' worth of products was sent down from co-operative companies on the Murray, all of which provided employment for thousands in the metropolitan area. Thousands of tons of these goods are loaded on overseas ships, but for which waterside workers would be on the flat of their back without a job. They depend entirely for their livelihood on the primary production of the State. It is their life blood. I can hear one member interjecting, "Is nothing imported?" Of course it is, but who pays for those importations? The country pays practically every penny of the value of the goods imported, and there can be no challenge to that. I ask members to consider the value of secondary products exported from Australia. It is a mere flea-bite compared with the value of primary products exported. If it were not for primary production we would not have any imports, and there would be nothing for the waterside workers to unload. I concede that it is necessary to have unanimity of opinion between country and city interests. In spite of the arguments I have used, I know that these interests are interdependent, but let no-one try to force down my neck that there are any losses in the country comparable with the millions of pounds that have been drained by the metropolitan transport system.

Mr. STOTT—We have listened to many unusual statements in the debate, but it is about time the position was placed on a proper



level. When this matter was referred to Parliament previously by two or three Independents, they could get no support from either side of the House when they pointed out the deplorable state of tramway affairs. Some years ago I stressed the desirability of appointing one Minister to control all types of public transport so that co-ordinated service could be provided, and had that been done at that time the trust would not be in the mess it is today. At present the railways and tramways cut each other's throats. Not long ago I pointed out that no grant should be made to the Tramways Trust until a Minister of Transport to control all public transport systems had been appointed. At that time members were told that the trust would not require another grant, but that has proved incorrect.

The appointment of a Minister of Transport is long overdue. He will be hamstrung with a load of debt, yet he will be expected to report to this House that the trust is being put on a proper basis. Primary producers cannot be blamed for using their own trucks to bring down produce to the city and take back farming equipment. Because they do so the railways are losing revenue. In many country districts trains run with hardly any passengers because country people, finding the train service too slow, are using their motor vehicles.

Mr. Pattinson—They are too prosperous to travel by train.

Mr. STOTT—Perhaps, but what is the Railways Department doing about it? The member for Onkaparinga referred to the passenger train service in his district, but he has no problem because there is a bus service running parallel to it. Every time the Murray areas seek a private bus service they are denied it by the Minister of Works and they are bitter about the provision of such large amounts for the Tramways Trust. It is useless spending money on this system of transport until it is co-ordinated with railway and bus services. A railway line runs parallel with the efficient modern bus service on the Port Road but to encourage passengers railway fares are kept low. I have repeatedly urged the co-ordination of all services and a commission was appointed to investigate that matter but the Government has not attempted to bring all transport under one form of control. I recommend members to visit the York Theatre where a film is being screened relating to transport in the United Kingdom, where, under co-ordinated, systems which previously were making losses are now on a better financial footing. In Washington the system comprises one-man buses and a flat

fare operates. As passengers board the vehicle they insert their fare in a meter and the operator does not have to worry about collecting fares. I recommend that system for the Government's consideration. Parliament represents both city and country and it is our duty to ensure that our transport services are on a proper paying basis. At present large companies pay a small annual fee to operate taxi services but the taxi driver is compelled to pay £8 a year to the companies for the right to operate his cab. That is unfair and is another question which might well be considered by the proposed new Minister of Transport.

Mr. Dunnage—The new Minister will be Minister of Highways.

Mr. STOTT—If he has control of the railways I shall be quite happy. We should get our transport systems on a proper co-ordinated basis before we start making annual grants to them. Last year £1,500 was granted on the line "Industries Development Act—payment under guarantee to Australian and New Zealand Bank Ltd.", but not spent and I have a suspicion that it concerned an industry that did not get anywhere. I would like an explanation from the Treasurer.

Mr. HAWKER—From the reply given to me by the Treasurer it would appear that if the Tramways Trust took over private bus routes it would have to provide better services, but the report of the inquiry committee says that only the same service would be provided. Could the Treasurer explain the position to me? In regard to country electricity supplies, I understand that it costs about £2,000 a mile to run a low tension line. Many people wonder why they cannot get a service when they are only a short distance from the main line. Could the Treasurer give some information on the matter?

Mr. DAVIS—I have often referred to the deplorable condition of railway rolling stock. I do not blame the administration for all the losses which have occurred in the last 12 months. When freight concessions are granted to country people the consumers have to bear the burden. I was surprised to hear Mr. Quirke refer to the socialistic element in this matter of grants. It is strange to see how quickly some people change their colours. Not so long ago he was a member of the so-called Socialist Party and he signed a contract that he would support the platform of the Australian Labor Party, yet tonight he criticizes his former comrades. Because things did not suit him he deserted the ship. It is useless

for any member to say that the railways have not rendered a good service to the State. I am prepared to pay my quota towards any losses made by the tramways or railways in giving the public a service. Because of the long haulage, I do not expect the railways to pay. Private bus operators would not put on a service to Oodnadatta or Alice Springs. They prefer to stay in the metropolitan and operate only services which pay. That is one of the reason why the Tramways Trust is suffering great losses today. Independent members assert that private enterprise should conduct the whole of the transport work of this State.

Mr. Quirke—We did not say anything of the sort.

Mr. DAVIS—They are opposed to the railways, the Tramways Trust and the buses—I do not know what they want. They say that the railways have lost millions, but if the member for Chaffey found that his dried fruit was not paying he would soon be approaching the Government for a subsidy. The primary producer has been looked after better than any section of the community, but who subsidized the unfortunate worker thrown out of his job during the depression and the small business man who failed?

Mr. Stott—Wheatgrowers subsidized the workers with a cheap loaf.

Mr. DAVIS—Only yesterday the honourable member was concerned to see that the price of wheat was fixed for the farmer and it did not care if the price of bread was pushed up by 1½d. a loaf. He is not prepared to rectify the anomalies created by the court's action in suspending quarterly adjustments.

Mr. HEASLIP—On a point of order. I ask whether we are discussing the Estimates or the cost of living. I understood that we had to confine our remarks to some line on the Estimates.

The CHAIRMAN—The line under discussion is "Miscellaneous," in the Department of the Treasurer and Minister of Immigration and I have allowed members a great deal of latitude. However, I do not think anything that has been said, except the personal attacks on members, has been out of order, but personalities have gone much too far. A member is in order in rebutting previous argument, but personalities are completely out of order.

Mr. DAVIS—Much has been said about the concessions to primary producers, but now we find that these very people are taking advantage of another concession and are using their own cars, which are registered

at concessional rates, instead of the railways. The registration fee for primary producers' commercial vehicles is only half the usual rate, so the farmer gains to that extent. That would represent a large amount over a period, so I cannot understand why the Independents criticize concessions to country people. I am pleased they get concessions because that ultimately keeps down the cost of living for everyone. However, some primary producers, instead of availing themselves of the concessions granted by this Government and sending their potatoes to the city, transport them to other States. I suppose the same would apply with bread if the price were not uniform. The member for Chaffey would send his oranges to other States if he could get more for them.

Mr. HEASLIP—On a point of order, Mr. Chairman, the State Government cannot grant subsidies, and the honourable member is only referring to subsidies.

The CHAIRMAN—I take it the member for Port Pirie is saying that the railways do not pay because country people are not taking advantage of the concessions granted to them, and he is linking that point with the £3,200,000 proposed for the railways. I think the honourable member is in order.

Mr. DAVIS—My point was that, in effect, we are subsidizing the railways.

Mr. Heaslip—But the State Government cannot pay subsidies.

Mr. DAVIS—Anyway, we are subsidizing the losses on the railways. Perhaps the member for Rocky River carts his produce by road, though I should not think a Government supporter would use his own vehicle instead of the services provided by this Government.

*Members interjecting.*

The CHAIRMAN—Order! I shall have to be more severe with honourable members. I have asked them not to interject, but it has become a racket, and I will not allow it to continue while I am in the Chair. If members refuse to obey my ruling I will have to name those causing the trouble. The member for Port Pirie must be heard in silence.

Mr. DAVIS—I am not happy about the financial position of the railways, but they are providing a good service to primary producers. As a country member I am prepared to support the grant to enable the Tramways Trust to get on its feet.

Mr. JOHN CLARK—The member for Light requested details about subsidies for country electricity extensions. We are both interested in an extension to Rosedale, which is partly in his district and partly in mine. The district

is only a few miles from Gawler, and I understood the Treasurer to say there was a possibility of a subsidy to assist this extension. However, the surcharge would be over 100 per cent, and this would be uneconomic to the trust and an intolerable burden on the residents. Would it be possible to grant a subsidy to cover the surcharge of over 100 per cent?

Mr. STEPHENS—One line "Betting Control Board—part cost of administration, £14,000" interests me. Does the Government pay for some of the administration costs of the board? I desire information about three interest lines—"Contribution to Commonwealth pursuant to Commonwealth and State Housing Agreement Act, £81,000"; "Contribution to Commonwealth pursuant to Railways Standardization Agreement Act, £25,261"; and "Interest on Trust Fund and on Temporary Deposits, £75,000."

The Tramways Trust has been severely criticized, but it is not the present members who are responsible for its being in debt. Some years ago members were paid £1 a meeting, but later an annual fee of £250 was provided, whatever the number of meetings attended. Two of the members represented the Government, and they are the ones criticized by certain honourable members tonight. In addition, there were two representatives of the City Council and four of the other metropolitan councils. These six council representatives were all so-called independents, and yet we have members here of the same type criticizing everyone else. They were not elected because of their ability to do the work, but because they were able to influence sufficient votes from the representative councils. One of them came from my district. As soon as he was elected, and before attending a meeting, he left for an overseas trip, yet collected his full fee of £250 despite the fact that he never attended a meeting. The waterside workers were criticized tonight. If it had not been for these and other workers certain members would not have been able to come to South Australia, or enjoy the luxuries available. These men provide the food we eat and the clothes we wear, and it is not right for honourable members to criticize them. I do not blame the Liberal Party completely for the condition of the tramways; if anyone was responsible for its debt it was the very ignorant and unreliable independent men elected to the trust under an unfair system. The position was so bad that the Government had to turn these independent members off the board and provide for another body likely to bring the trust back to *terra firma*.

Mr. HEASLIP—An amount of £20,000 is provided for extension of electricity supplies to the country. It would appear that this is the first time that such a line appeared on the Estimates. At Napperby is a settlement of more than 60 householders who are not far distant from the main electricity line, but the voltage is so high that the cost of breaking it down makes the proposition almost prohibitive. I understand that the surcharge is 75 per cent. I should like to know what are the possibilities of these people being supplied in the future. The delay in supplying country people appears to be longer than it should be. I have received a letter from a constituent situated not one quarter of a mile from the main who has undertaken to build another house for a worker provided he can get electricity. He made application more than six months ago, and has now received a reply from the trust that it cannot give a final answer for at least another 12 months whether he will get power or not. In the meantime he does not know whether to renew his own power unit. These people should be told whether they are likely to get their supply. However, this man has been waiting for at least 18 months for an indication as to whether power will be supplied to him.

Mr. JENNINGS—The sum of £900 is provided as a grant to Institute of Management. Can the Treasurer indicate the purposes and functions of that body and how its activities justify that grant?

The Hon. T. PLAYFORD—The grant of £14,000 as part cost of administration of the Betting Control Board merely seeks to give expression to the instruction of Parliament, pursuant to section 35a of the Lottery and Gaming Act, to pay certain fees in connection with the administration of the board. The contribution to the Commonwealth Government pursuant to Commonwealth-State Housing Agreement Act consists of £22,000 paid on account of principal and £81,000 on account of interest. This year, for the first time, South Australia comes under the Commonwealth-State Housing Agreement, as a result of which it will receive from the Commonwealth £4,000,000 for housing purposes. That is not a grant but a loan on which interest must be paid. A similar explanation applies to contributions to the Commonwealth Government on account of principal and interest pursuant to the Railways Standardization Agreement Act. Under that agreement work is being carried out on South Australian railways. The Commonwealth Government provides all the money for that work,

but a small proportion of it is chargeable to the State as a loan, and the amounts shown on the Estimates are the interest and principal contributions on the repayment of that loan. Much work has already been completed in this State and the broadening of the gauge is now proceeding between Mount Gambier and Millicent. Earlier, in reply to a question by Mr. Michael, I explained the item of £20,000 shown as a grant to the Electricity Trust under the Electricity Supplies (Country Areas) Act, and those remarks apply in respect of questions raised by the members for Gawler and Rocky River. There is an upper limit beyond which it is impossible to take electricity to farm houses. The basis of the agreement which I hope will be reached will be that we will take what is considered to be a fair upper limit of surcharge and subsidize it further so as to make the supply of electricity possible to areas which could not otherwise get it at anything like the present surcharge. Earlier, I explained the difficulties confronting us in arriving at a solution to this problem.

Mr. Hawker asked a question on the use of transformers. It is hard to explain to a farmer why he cannot be connected with electricity when a power line is adjacent to his property. To break the electricity down from the high voltages used would involve, in some instances, the expenditure of between £30,000 and £40,000. High voltages cannot be broken down for every farmhouse the line passes. It is impossible to transfer electricity by low tension power line because the expenditure involved would be colossal. Some of the lines we are now using are 132,000 volts and, speaking from memory, to break down the electricity for a private consumer would cost at least £32,000. Under those circumstances it is necessary that there should be a group requiring electricity to warrant the installation of a transformer. It is the trust's desire to take electricity as far as possible into country areas. Mr. Heaslip queried why so long a time expired before a survey was made and an answer given. When the trust was established six years ago electricity was supplied to a relatively small part of the State and it was in general a metropolitan utility.

Mr. Macgillivray—Country districts had their own supplies.

The Hon. T. PLAYFORD—Yes, in some instances, but the trust was largely a metropolitan service and the planning of the organization was based upon the interests of the metropolitan area. In 1946 the amount

of electricity used was 251,000,000 units, but that made available in 1952 was 523,000,000 units, an increase of more than 100 per cent. There are limits to what can be done, but the staff of the trust is fully engaged and the amount of Loan money made available to the trust is fully involved. If Mr. Heaslip, or any member, will supply me with particulars relating to difficulties in their districts I will see if I can have the matters straightened out for them.

Mr. Heaslip—It is only a matter of "Yes" or "No."

The Hon. T. PLAYFORD—I appreciate that the member only wants a survey made, but surveys have been requested from every part of the State and it has not been easy to convert what was purely a local utility into a utility that now has thousands of miles of transmission lines serving a large area of the State. There are many gaps which I hope in due course will be filled in. When the trust was acquired the staff had been developed for purposes mainly concerned with the metropolitan area, but since then the staff has been increased, schools have been established for linesmen, and lines have been laid to almost every part of the State with the exception of the south-eastern portion. Electricity is supplied to the upper Murrey, as far east as Radium Hill and as far north as Port Augusta. Transmission lines have also been extended into Yorke Peninsula areas and many private undertakings which had become obsolescent have been acquired and modernized by the trust. I assure members that the trust is doing its utmost to provide the services envisaged when it was acquired by Parliament. Mr. Jennings queried the payment of a grant to the Institute of Management. The institute was established to train young men in advanced management and has been particularly useful in training men in the railway service. The Auditor-General inquired into what would be an appropriate amount for the Government to pay as its share for the services obtained from the institute.

Mr. Jennings—The Government does get some service from it?

The Hon. T. PLAYFORD—Yes, and particularly the Railways Department. The Railways Department, of course, is a business undertaking. If it were free from political control it would immediately start to pay its way because it would do what ordinary businesses do: charge in accordance with the services it renders. It would do what banks and other institutions do. If a person goes to a bank and

asks for a loan the bank will say, "Yes, we will give you a loan provided we have your other business." Many goods are carried on the railways far below costs. Some people use them for the carriage of bulk goods, but forget them for lighter goods. If the railways were free from political control they would go close to paying their way, particularly if we excluded from railway accounts the losses associated with lines constructed for political reasons. I think the biggest writing off in railway accounts here was £7,000,000 in 1921. In other States about 70 to 80 per cent of capital cost has been written off where the railways were constructed for developmental purposes. In Victoria I think about £65,000,000 has been excluded from railway accounts. It has been said that if roads were constructed some districts could carry on without the railways, but it must be remembered that without them the districts could not have been opened up. It is easy to criticize, but from time to time the Government has not agreed to freight rates being increased on certain goods. The Government had to consider other things, such as the effect on the cost of living. The making of grants does not mean that the railways are not run on business lines. During the war they experienced a severe hammering. Other forms of transport were not available and all goods were diverted to the railways. Railway employees were engaged on munition work, and rolling stock had to be made available to the Commonwealth, which meant that maintenance work got behind. I live in an area not served by a line, but the more I see of the service rendered by the railways the greater respect I have for them. When overseas recently I learned in Great Britain and America that it was unanimous that the day of the railways had not passed and that they provided the cheapest form of land transport, particularly for bulk goods.

The line "Industries Development Act—payment under guarantee to Australian and New Zealand Bank Ltd.," relates to a loss caused by the failure of one of the brickmaking companies guaranteed by the Government. The Government guaranteed the account to the extent of £1,500 on the recommendation of the Industries Assistance Committee, but the partners in the firm quarrelled violently and the company went into liquidation. The Official Receiver was placed in charge of the company's assets and some small amount was recouped.

Mr. Stephens—Is the other brick company which was subsidized all right?

The Hon. T. PLAYFORD—Some of the most important companies in South Australia have been started by means of this Act and as far as I know this is the only loss which has occurred. There is one other small company about which I am not quite happy, but all those involving large guarantees have not made losses and in some instances the guarantee has been wiped out. Mr. Hawker raised a question about private bus operators. I do not want to criticize them or compare them with the services given by the trust beyond saying that many people prefer the latter.

Mr. CHRISTIAN—The sum of £103,000 is provided in connection with the Commonwealth and State Housing Agreement. We provide this amount from revenue, but is there any recoup from the Housing Trust? Interest at the rate of 4 per cent on the amount involved would be £160,000 and not £81,000 mentioned. I would like to know whether the full amount for interest has been shown.

The Hon. T. PLAYFORD—The reason why the amount for interest is not higher is that we do not draw the whole of the £4,000,000 at the beginning of the year, but only by instalments as we want to use it. The rate of interest is 3 per cent and the Housing Trust is responsible for repayment to the Treasury of all commitments provided for here.

Mr. RICHES—Has the Treasurer considered the question of extension by the Electricity Trust to country districts in which it sells electricity in bulk as well as the districts in which it sells in retail, of the letting of household appliances? If not, will he investigate the possibilities of extending this service?

The Hon. T. PLAYFORD—I will examine the matter and let the honourable member have a more considered opinion upon it later.

Line passed.

Progress reported; Committee to sit again.

#### WHEAT INDUSTRY STABILIZATION ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

#### ADJOURNMENT.

At 11.30 p.m. the House adjourned until Thursday, October 29, at 2 p.m.