HOUSE OF ASSEMBLY.

Wednesday, November 4, 1953.

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

PETITION: FRUIT FLY ACT.

Mr. DUNSTAN presented a petition bearing the signatures of 873 electors and respectfully praying that the Fruit Fly Act be amended.

Received and read.

QUESTIONS.

MOTOR PARKING METERS.

Mr. O'HALLORAN—Has the Premier obtained the information from the Lord Mayor which he promised to get following on the question I asked on October 13 regarding motor parking meters?

The Hon. T. PLAYFORD—I have received a reply from the Lord Mayor which supplies the following information regarding the matters raised by the honourable member:—

(1) It is not the practice to attach "stickers" to vehicles unless the provisions of the by-laws are infringed.

(2) After 6 p.m. Mondays to Fridays and after 1 p.m. Saturdays the stationary limits are not enforced and such open kerb space becomes available for car parking and ranking. Prohibited areas and prohibited streets cease to apply where possible at 5 p.m. or 6 p.m. and the signs indicate the times. In a limited number of instances prohibited areas and prohibited streets apply 24 hours per day; such as the prohibited areas adjacent to tram and bus zones, and the Grosvenor, where people are loading and unloading at all hours, and streets, such as Victoria Street and Peel Street, where taxis are required to draw up at conclusion of theatre shows to avoid double ranking in Hindley Street, James Place and Charles Place on which are theatre exits. If the prohibition is limited to certain hours the times are shown on the signs.

(3) In a few cases prohibited areas of short length are provided to facilitate ingress to and egress from narrow streets, and these are indicated by prohibited area signs with a horizontal crimson band.

(4) The establishment of parking meters has been carefully examined and their introduction has been informally discussed with the secretary of the Royal Automobile Association. From information at present available it appears that motorists would object to the payment system involved in the use of parking meters for parking their cars in public streets which may now be used by them within the terms of the Car Parking By-laws without charge. However, when motor vehicle intensity further increases the City Council may consider it to be advisable to introduce the parking meter.

LANDLORD AND TENANT LEGISLATION.

Mr. DUNKS—On September 15, when moving the second reading of the Landlord and Tenant (Control of Rents) Act Amendment Bill, the Premier said that a house which had not been occupied since the original Act was passed, but was now ready to be let, would be exempt on condition that a lease was granted. I asked whether that would apply where three or four tenants were in occupation, and the Premier said there would have to be a lease in each case. If an owner who has been living in his own large house subdivides it into self-contained flats, and has a lease for each flat, will he be exempt from the legislation?

The Hon. T. PLAYFORD—I should be pleased if the honourable member would ask the question tomorrow. My present belief is that he would be exempt, but I should like to check the position definitely with the Crown Law Office to be sure that my opinion is correct.

BERNCO PRODUCTS PTY. LTD.

Mr. QUIRKE—A firm known as Bernco Products Pty. Ltd. has its registered office in Melbourne at Suite 17, First Floor, Temple Court, 422 Collins Street. About 18 months ago representatives of the firm visited South Australian country towns and got certain trusting people to sign a contract and undertake to make monthly payments up to a stated amount. I know one person who has received no benefit from the firm, and probably the same applies to others, but it now seems that the Bernco Products Company has faded out, together with the money it has collected. There is nothing new in that, but has any investigation been made into the operations of this company? People in Clare who have been victims of this organization have received a communication from Shareholders' Mutual Protection Association Limited, of Adelaide, and with your permission, Mr. Speaker, I shall read it.

The SPEAKER—It is not three or four pages long?

Mr. QUIRKE—Not more than half a page. It states:—

In response to a number of inquiries from contract holders in Bernco Products, we now write you to explain the position in your own and other contract holders' interests, who desire this association to act for them in an effort to obtain some satisfactory settlement. An officer of this association was sent to Melbourne in June to inquire fully into the affairs of Bernco Products and a full report will be issued to members in due course. At present, our Melbourne solicitors are taking action for

members in our South Australian group and we are hopeful of obtaining an early settlement. We point out that this association can and will only act for its own members who join, and in your case we are prepared to act in your interests if you will fill in the enclosed form and post it back with cheque for membership £4 10s., and this should be done without delay. If you desire to join, please forward all papers, documents, etc., for examination and same will be returned to you at a later date.

That £4 10s. represents about one-fifth of the money invested by that person in Bernco Products. Will the Premier ascertain if it is worth while for the people concerned to chase bad money with good? On the evidence placed before me, it seems a pretty hopeless quest.

The Hon. T. PLAYFORD—This organization has not come to me for any subscription, so I do not know anything about it, but I will have investigations made, both here and in Melbourne, to ascertain the background of Bernco Products, whether it is a reputable company, and whether it is still existent. I will try to ascertain what the assets of the company are and whether those who have signed contracts and paid money have any redress. I advise the public that the best firm with which to trade is the one that operates in one's own home town and which one has known for many years to be reputable and trustworthy. A firm's or person's best warranty of satisfaction and attention is reputation. While people will subscribe to outsiders that they do not know intimately and trust their glib talk they run a serious risk of losing their money.

KOWULKA BRANCH RAILWAY.

Mr. CHRISTIAN—Has the Minister of Railways any information on the subject I raised last week about the Kowulka railway spur line?

The Hon. M. McINTOSH—I received a lengthy report which showed that so far the company has honoured its agreement with the railways in every way, although it is not freighting the quantity of products expected. However, it has paid the full interest of 4 per cent on the cost of the railway, as arranged, and it is paying the same freight rate as would have been paid if it used that railway. Another point arose as to whether the company had honoured the agreement with the Harbors Board, but time has not permitted me, since last night, to have that investigated. I will get the further information and bring it down.

BLACKWOOD AREA SEWERAGE SCHEME.

Mr. DUNKS—What interest would the Government expect to recover on the initial cost of installing deep drainage in the area in the hills that I represent?

The Hon. M. McINTOSH—The maximum rate that can be charged for sewers, under Act of Parliament, is 1s. 9d. in the pound on valuation, so unless the Act is amended that rate cannot be exceeded, although it is only about half that charged in some areas in the eastern States. Before any scheme is undertaken a schedule is forwarded to the council concerned asking whether it is prepared to accept the rating on that valuation. Of course, assessments may rise in keeping with the general trend, but the rate of 1s. 9d. in the pound, in relation to present-day costs, is not realistic.

SHEEP BRANDING FLUIDS.

Mr. HEASLIP—Has the Minister af Agriculture a reply to my question of October 20, concerning the use of a sheep branding fluid known as L.B.E.?

The Hon. Sir GEORGE JENKINS—This matter was one considered by the Agricultural Council at its last meeting but as insufficient information was before it at the time to warrant a decision it was decided to postpone it till the next meeting of the council, which is to be held early in December.

CAR PARKING IN PARKLANDS.

Mr. PATTINSON—I have been asked by the Parklands Preservation League to draw attention of the House to the recent activities of Adelaide City Council employees on the roughly triangular area of the north parklands bounded by Morphett Street, Memorial Drive and the River Torrens. An aerial photograph of this area was published in the *Advertiser* on August 12, and an earlier article indicated that the city council planned to establish a day car park there. The league is concerned at the possibility of the parklands being used as parking areas, and questions the right of the city council to proceed with any scheme which would further alienate parts of the parklands and have them used for other than the pleasure of Adelaide citizens. As the Minister of Local Government knows, the parklands come within the area of the Corporation of the City of Adelaide and are the heritage of all the people of South Australia, and the public, through this Parliament, is entitled to some knowledge and fair warning as to what the council proposes to do with the very large and valuable

area referred to. I have been passing this area on Memorial Drive regularly for some weeks and have been appalled at the wholesale, if not wanton, destruction of a large number of valuable trees, and I join with the members of the league in asking the Minister to call for a report from the Director of Local Government to see what really is proposed to be done with this area in the near future?

The Hon. M. McINTOSH—The control of the parklands is within the jurisdiction of the city council. Over a long experience I have found that it has not wittingly or in any way contravened the will of Parliament or taken action which could be regarded as alien to its trust. The present position is that a suggestion has been put forward and there have been counter suggestions. On the council there are prominent citizens actively concerned about the preservation of our parklands. The point having been raised, I will take it up with the council and bring down a report as to the actual position. I think it is premature to say that something has been decided upon.

POLICE REPORTS OF ROAD ACCIDENTS.

Mr. WILLIAM JENKINS—My question relates to previous questions asked in this House regarding the discontinuance of police reports being made available to solicitors defending accident and other cases. One of the explanations for this refusal was that the furnishing of reports was becoming onerous, and that police officers were not available to do the necessary extra work. Cases have been brought to my notice of people having had to appear in court, whereas had the report of the officer who was detailed to the accident been available this would not have happened. Judge Gordon once said that it was highly desirable that as many cases should be settled out of court as possible. I have been told that parties are prepared to pay up to £2 2s. for the service of being able to receive copies of these reports. Is the Police Commissioner prepared to revise his decision to the extent of employing a public servant to furnish reports where required, the cost to be defrayed by a charge for them?

The Hon. T. PLAYFORD—A question on this subject was asked by another honourable member about a fortnight ago, and I pointed out that the Government had considered the question and that reports on it had been received from the Crown Solicitor and the Police Commissioner. They said the furnishing of police reports to so many authorities had become physically impossible and in some cases undesirable because the availability of the information is restricted when a person knows that the giving of it will be used for purposes other than that for which the police desire it. The information is obtained by the police to enable them to decide whether an offence has been committed against the Road Traffic Act, and the providing of the report for other purposes which can involve a witness in much difficulty in attending protracted proceedings at court does not ensure a full and free disclosure. However, the Government is prepared to supply a list to applicants which will enable them to know who the witnesses are, the persons involved in the accident, and all material evidence which would enable any solicitor who desires to do so to get the facts before proceeding to the court. The Law Society has been advised to that effect.

TRAMWAYS TRUST FINANCES.

Mr. MACGILLIVRAY—Yesterday I asked the following question on notice regarding a former chairman of the Tramways Trust, a Treasury official nominated by the Government:—

Was one of his responsibilities to report to the Treasurer on the financial position of the Trust?

The Premier replied:—

No. The financial responsibilities for the undertaking were vested in the constituent councils.

I am well aware that the financial responsibilities were vested in the councils, but the reply evades my question. I thought that, when the Government was financially interested in an undertaking, the common practice was for it to appoint to the board controlling that undertaking a nominee one of whose functions would be to keep the Treasurer in touch with its financial position. However, in this instance more than £3,300,000 has been completely lost to the taxpayers in connection with what is the responsibility of constituent councils, thus that responsibility has now been shifted on to the shoulders of taxpayers. In the light of these circumstances does the Premier wish to reconsider his answer to my question and say whether, in fact, it was not the responsibility of the Government's nominee to keep the Government informed of what was going on, and whether this Parliament should not set up, for the taxpayers' protection, a body to oversee the spending of public moneys by the Tramways Trust? It seems a little late in the day for action if, having advanced money to this undertaking, Parliament must wait for the Auditor-General to inform it of the trust's position.

The Hon. T. Playford—Is the honourable member asking a question or answering it himself?

The SPEAKER—Objection having been raised, the honourable member will ask his question.

Mr. MACGILLIVRAY—As the Premier objects to the question I will not say any more.

The Hon. T. PLAYFORD—My answer of yesterday was absolutely correct in every sense. Until the appointment of the chairman mentioned by the honourable member, no officer from the Treasury had been appointed to that position, although outsiders had been appointed. Those outsiders had no connection with the Treasury, nor did they have to report to it, because the responsibilities for the Tramways Trust were vested in the constituent councils. Those responsibilities have not been lifted and still remain with those bodies. Last year when a move was made for the responsibility which is a rating responsibility to be handed over to the Government, I made it quite clear that the Government was not prepared to accept it, but was prepared to assist in the rehabilitation of the trust. Ample security exists to cover any debenture which has been issued by the Government in regard to those responsibilities. The officer appointed to the trust did not have a responsibility to report to the Treasury on its financial operations. It was operating under an Act of Parliament and the responsibilities of all the members of the trust and of the private accountants who audited its accounts were to the constituent bodies representing the ratepayers of the metropolitan area, who, in the final analysis, would be responsible for any non-payment of a debenture issued by the Government. Realizing that trams had become outmoded and that it would be impossible for the trust to succeed with the present plant and equipment without unduly increasing the fares paid largely by working classes, which increase would ultimately be reflected in industrial awards, the Government believed that it would be better, so far as Parliament was concerned, to make a number of grants to the trust to enable it to get modern equipment and plant to rehabilitate its organization. That was accepted by Parliament and I believe it was a wise decision. Indeed, if the matter were again before Parliament I would again follow that procedure. The fact that the trust has lost some money does not make it unique, for I could point to some other undertakings supported by the Government which have lost money. As far as I could make my reply of yeserday factual in a short answer, it was factual, although there are one or two inaccuracies in it which could not be overcome without making a long and involved statement. For instance, the losses referred to by the honourable member as not being disclosed in the balance sheet mainly arise from the introduction by the new board of an entirely new policy and the fact that much plant which was formerly working plant and would have been used under the policy of the old trust has become scrap plant and has had to assume an entirely new value because it has been written on.

Mr. Macgillivray—Who is going to check up on the amount of money the new board writes off?

The Hon. T. PLAYFORD—That aspect is being examined by the Government at present, because I believe—and I say this not unkindly—that the new board is probably inclined to write off larger sums than would be justified by events.

Mr. Macgillivray—That is what I am afraid of.

The Hon. T. PLAYFORD—The honourable member need not be, because the operations of the new board will be examined in the same way as were those of the old board. The Auditor-General will see that it does not run to extremes in the matter of writing off. It would be possible to make losses appear larger by excessive writing off, which again may not be justified by events.

Mr. STOTT—The Premier said that the responsibility is still on the constituent councils. Has Cabinet considered making it clear where the responsibility really lies now that Parliament has voted further sums of money to enable the trust to get out of its present financial difficulties, and is it intended to bring down legislation definitely fixing the responsibility so that the people will know the exact position?

The Hon. T. PLAYFORD—There is no lack of knowledge on this matter, except perhaps by the honourable member. The position has always been that if the constituent authorities default in connection with the debenture the Government can rate to secure the meeting of the debenture. That position was not altered by the legislation passed last year. It is legislation which I believe is good and which can be reasonably put into operation. In other undertakings we have had the right to rate to secure the observance of a condition, but when that has been done in other places there has

has been strong political opposition and I have no doubt that under similar circumstances here there would be objections. I do not think the debenture will be met by rating except in extreme circumstances, which I do not think will arise.

Mr. Stott—It is time the position was clarified.

The Hon. T. PLAYFORD—The undertaking is still the property of the constituent authorities and they are responsible for the Government loan. In other instances where the Government has lent money there has been a resistance to repayment, and sometimes it has been impossible to get repayment. After discussing the matter with the world authorities who checked the plans of the trust, I believe our system can be rehabilitated, pay interest on the money advanced to it, and pay its way without any increase in the present fares. The reason for the present losses is that the trams were not kept in a state of modern efficiency, and maintenance costs were excessive.

Mr. Stephens—Most of it was the result of bad management.

The Hon. T. PLAYFORD—When the electric tramways system was installed there was no alternative feasible system, and as in other walks of life there have been developments. We have had to scrap old steam railway engines and put in diesel electric engines, and we have found it advisable to scrap the old type trams and replace them with modern trams and buses. It is a question of evolution rather than mismanagement. I have satisfied myself that the policy of the new board in purchasing new equipment, even if it means writing off some of the old equipment, will pay dividends, and will prove more economical than maintaining old equipment. That is borne out by reports from highly qualified authorities.

Mr. MACGILLIVRAY—I am concerned about the debt structure of the trust. In his report to Parliament the Auditor-General stated:—

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.

We know that that sum has been lost, but are the trust's losses limited to Government borrowings, or have the general assets of the trust been lost too? If the losses are spread over the whole of the financial structure of the trust one would assume two-thirds of the moneys that rightly belonged to municipal bodies have been lost as well, because it would not be fair for the Government to bear all the losses that have occurred. I take it that the Auditor-General would not be interested in the trust's funds other than those advanced by the Government. Is the sum of £3,757,203 the total loss of the trust, or is there a proportionate loss on the other funds of the trust as well?

The Hon. T. PLAYFORD—As far as I know, none of the constituent bodies has made any capital contribution to the trust. The moneys that provided for its establishment were lent by the Government under Act of Parliament by debenture. I believe its capital was provided from one source only, but if the honourable member wants a detailed statement on any aspect of the finances that is not clear in the Auditor-General's report I will get for him precise particulars of the accounts concerned. For some years the trust made profits, which were ploughed back into the undertaking. The precise value of the trust's assets today depends on whether they are valued from the point of view of a conversion to buses or of maintaining them as a tramway undertaking.

Mr. Macgillivray—Does the board have to publish a balance-sheet?

The Hon. T. PLAYFORD—It is established under Act of Parliament and certainly has to publish a balance sheet. It is surprising that Parliament did not lay down that a copy of its balance sheet must be tabled in Parliament; the explanation may be that Parliament is not ultimately responsible for the undertaking. The Auditor-General, on behalf of the Government, has completed an investigation into the trust's affairs that took about 18 months.

Mr. Macgillivray—Can I get a copy of his report from him, with your permission?

The Hon. T. PLAYFORD—Normally, the Auditor-General is an officer of Parliament, so I think the proper procedure would be to go through me, but I assure the honourable member that I will not clamp down on any attempt he may make to get information. If he will let me know what information he wants I shall do my utmost to see that he gets it.

CONVENIENCES IN PARKLANDS.

Mr. STOTT—Many young women play basketball in the parklands. I am particularly interested in the welfare of those who play on courts situated between Keswick Bridge and the West Terrace Cemetery. I understand the Basketball Association pays a considerable rental to the Adelaide City Council for the

sites, but there are no modern conveniences there, or I understand at other playing areas. I believe this is a matter for the City Council but it is a question of public interest, so I ask the Minister of Works whether he will take it up with the council with a view to having modern conveniences erected?

The Hon. M. McINTOSH—I will take it up with the City Council, but I cannot give an undertaking that the conveniences will be erected, for that is a matter outside the province of Parliament and of the Government. Those areas are under the control of the council, which I am sure endeavours to meet the necessities of the situation. Perhaps some of the clubs are patronized by people adjacent to the courts who have access to conveniences nearby, but I will make inquiries and bring down a reply.

ROAD TRAFFIC LEGISLATION.

Mr. STEPHENS—Today's Notice Paper shows that the Premier intends to move for leave to introduce a Bill to amend the Road Traffic Act, but yesterday, in reply to a question from me, he said there was no necessity to amend the Act this session. He must have given notice of the motion early yesterday afternoon. There is also a reference to the matter in this morning's *Advertiser,* so the press must have had the information some time yesterday. I have been placed in a false position because, after receiving the Premier's reply, I told a certain party that there was little likelihood of the Road Traffic Act being amended. Did the Premier misunderstand my question yesterday?

The Hon. T. PLAYFORD—I think the honourable member's question yesterday immediately followed another about road transport matters, and I concluded that he was talking about the co-ordination of road transport.

Mr. Pattinson—The honourable member used the word "transport." He did not mention traffic.

The Hon. T. PLAYFORD—I certainly did not associate the honourable member's question with the Road Traffic Act. If he said "transport" the question involved the Transport Control Board and the co-ordination of transport, an entirely different matter. Notice has already been given of two Bills to amend the Road Traffic Act, and I should not be surprised if we had a third Bill before the House this session.

PERSONAL EXPLANATION: ROAD TRAFFIC ACT.

Mr. STEPHENS—I ask leave to make a personal explanation.

Leave granted.

Mr. STEPHENS—When I asked a question yesterday I had in mind an amendment to the Road Traffic Act. I discussed traffic questions with the chairman of the Road Traffic Committee yesterday and as a result I asked the question. If I used the word "transport" instead of "traffic" and the Premier understood me to say "transport"—

The Hon. T. Playford—What does *Hansard* say?

Mr. STEPHENS—"Transport," and I take it that *Hansard* is correct.

The SPEAKER—The honourable member's explanation is completed.

ESTABLISHMENT OF STEELWORKS NEAR WHYALLA.

Adjourned debate on the motion of Mr. Riches—

That a Select Committee be appointed to enquire into the desirability of establishing a steelworks 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.

(Continued from October 28. Page 1210.)

Mr. MACGILLIVRAY (Chaffey)—I support the motion because I believe something of great benefit to South Australia in particular, and to the Commonwealth as a whole, could result from the establishment of additional steel works. I listened with interest to the earlier speakers, but felt that some of them overlooked the motion altogether, as they spoke on many other topics. All the motion seeks is to set up a select committee to inquire. It does not say that we should go into the question of whether we can establish steel works at Whyalla, or whether it would be better for them to be established at Bowen in Queensland or at some other place. I intended to move an amendment to the motion, because it seems to me that we already have in the Industries Development Committee a body admirably fitted to handle this inquiry. However, in checking up with the Act I noticed that my intended amendment could not be put into effect because the Act under which the committee operates provides that it can inquire into a question only when an industry seeks financial assistance. However, I still suggest that it could inquire into the subject covered

by the motion. Members on both sides, including the Treasurer, have more or less agreed that it would be desirable to establish steel mills at Whyalla, but having arrived at that degree of unanimity, they seem to have fallen apart, because the Treasurer said that until further deposits of iron ore were available we could not call upon a new company to be set up. The result is the matter has been left in abeyance.

The member for Stuart thought it desirable that some of the ore from the Broken Hill Proprietary Company's lease should be made available to another company, but I do not think it is our function to decide either of those points. It is a question of whether it is desirable or not to establish a steel mill. According to the Director of Mines (Mr. Dickinson), South Australia produces 99 per cent of the iron ore of Australia. Therefore, surely it is not too much to ask that this State should get some benefit from the production of this ore by its being turned into steel. I understand the Government is very interested in the development of our secondary industries—so much that on occasions I have felt it has overlooked some of our primary industries. If we can establish healthy and prosperous secondary industries our primary industries will also benefit. It is interesting to me to hear Government supporters condemning out of hand the proposal in the motion. The member for Onkaparinga, who usually does this type of work for the Government and uses the whitewash brush, slapping it over everything and whitening it like the Biblical sepulchre, says, in effect, that if we dare to pass this motion our last condition will be worse than our first. He said we would offend some people, whom he did not mention, and that all kinds of catastrophic things would happen to us, and having instilled that fear complex into the case, resumed his seat without offering one argument why the inquiry should not be set up. It would be a tragedy if an important industry were to be lost to South Australia simply because of inaction. Mr. Riches said that the Queensland Minister of Mines was very interested in having a steel mill established in his State and also mentioned that Western Australia had entered into negotiations with the Broken Hill Proprietary Company to get certain works established there. While Queensland and Western Australia are so interested in getting these industries, South Australia is sitting down twiddling its thumbs. We shall wake up one of these mornings and find Queensland has set up a steel mill—while we have been thinking about it. Our Parliament has not enough energy to do anything but give lip service by saying, "We could have a steel mill established here," and, having done that, do nothing more about it.

Mr. Dickinson's report makes an interesting statement to the effect that by 1960 the yearly steel needs of Australia will exceed 5,000,000 tons and that Australia is lagging behind the other parts of the British Empire in developing its steel resources. Canada is quoted as having increased its steel production by more than 100 per cent while Australia has increased its production by a miserable 20 per cent, although I understand that production in both countries was comparable in 1949. Whereas we are inactive, other parts of the Empire are doing the things we have left undone. One of the interesting items in Mr. Essington Lewis' report was the story he told of the development of steel production in Australia. He pointed out that 30 years ago it took 1½ tons of iron ore to three tons of coal to make one ton of steel, but now it takes 1½ tons of ore and 1½ tons of coal to produce the same quantity. That makes a tremendous difference to the economics of the production of steel. While it took twice as much coal as ore it was much more economical to transport the ore from South Australia to the coal, but now that we have the equation of coal and ore the position is evened out, and it does not matter whether the coal is taken to the iron ore or *vice versa*. I would have assumed that a great opportunity was presented to the B.H.P. to develop a steel mill in South Australia, because one would think the company's ships which take iron ore from South Australia to the mills in Newcastle could, on the return trip, bring coal to South Australia for making the steel. That would appear to do away with the empty return trip, because one cannot imagine there is much its ships can handle except bulk cargoes of coal or ore. I consider that the company would benefit economically by having a steel mill at either end of the long shipping haul.

There is a demand for steel mills in the other States as well as in South Australia. Queensland, which is very anxious to have one established there, has unlimited coal reserves. If anyone thinks that the B.H.P. has the iron ore supplies of the Commonwealth pretty well tied up and of necessity wants to stop the Queensland Government from developing a steel mill, I remind him that in New Caledonia, which is not far distant from Queensland, are

ample reserves of first class iron ore. I believe that ore could be supplied to Australia as cheaply as, if not more cheaply than, the ore the company is now using. However, because of its laudable desire to spend money inside Australia rather than in the French territory, the company has always stuck to Australia for its ore supplies. If the position arises that Queensland decides to use its coal reserves, and iron ore cannot be supplied from within Australia, then I feel there will be little difficulty in its getting ample supplies from outside Australia. The need for this supply of steel is beyond question. The Director of Mines points out that although Australian manufacturing industry has increased by 700 per cent—the largest increase in the British Commonwealth of Nations—the increase in the manufacture of steel has not been sufficient to meet demands, with the result that it has been necessary to import steel at a price 100 per cent higher than that of the better Australian steel. The low cost of Australian steel is indeed a feather in the cap of the B.H.P. The Director points out that over a period of three years the surcharge on the imported steel was sufficient to pay for the erection of a steel mill costing £100,000,000. I take it that every member accepts as approximately correct the figures of the Director of Mines who is one of our most highly respected public servants. Those figures warrant the support of every member for the appointment of a Select Committee to inquire into a state of affairs which has cost Australian steel consumers more than £100,000,000 in three years, but, while I am prepared to support his factual statements, I am not so happy when the Director digresses into the realms of problematical conjecture, and says:—

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

The term "competitive basis" presupposes that the Broken Hill Proprietary is either not delivering the goods or that its prices are not competitive, but the whole tenor of the Director's argument proves that is not the case for he points out that over a period of three years Australian steel consumers have had to pay £100,000,000 extra for imported steel. Surely that statement emphasizes the low cost of Australian steel. The B.H.P. is one of the most valuable companies Australia has ever had. I understand it is a good employer.

Mr. Davis—You have another think coming there. I worked for it.

Mr. MACGILLIVRAY—I can only express an opinion, but there is no argument about its ability to produce steel The Director wants greater steel production in Australia, and one would have assumed that it did not matter to him how or where steel was produced so long as it was produced. If another company could prove that it could produce steel at a lower cost than the Broken Hill Proprietary, it should be the function of the Select Committee to report on that point, but the committee should not be handicapped by charging the Broken Hill Proprietary with something which all available evidence has proved to be wrong. Everything points to its efficiency and capabilities and when the Director says that the position could be overcome, preferably by the establishment of a new company producing steel on a competitive basis, I suggest that he is not as well up in business activities as he is in mining technique, because surely he must have heard of such combinations as cartels. Does he think that, if a new company were established, the two companies would cut each other's throats in open competition? Surely they would immediately come to a working agreement. The answer to this question has often been said to be legislation to prevent the formation of monopolies and cartels, but that has been tried in the United States of America for many years without success. It is not important to the Select Committee whether the steel is produced by the B.H.P. or a new company run entirely by the Government or private enterprise or jointly by both, but it is important that Australia should have an increased supply of steel if its secondary industries are to be kept secure. The establishment of a steel mill in South Australia would be important to this State.

Mr. DUNSTAN (Norwood)—I have listened with interest to what has been said in this debate. The motion was presented in great detail and with great lucidity by the member for Stuart, who made out an overwhelming case for the appointment of a Select Committee. There can be no doubt from his statements, backed up as they were by the reports of the Director of Mines, who all members say is a very capable man, that an inquiry is needed. That would seem to be an extremely logical deduction from Mr. Dickinson's report, and it would seem that very little could be said against it, so I listened with great attention

to what was said against the proposal. The Premier came forward in a manner not unusual to him and said in effect "The Director of Mines may have made a report, but I know what the position is." He said that, regardless of the fact that from his speech it was evident that he had not studied the report. The Premier also said in effect "Electoral gerrymandering is a thing which I have made my washpot and I will now cast my shoe over mining engineering. I have spoken and now let no dog, especially Mr. Dickinson, bark!" In defence of his point of view the Premier said that he did not want an inquiry into the matter, that he knew what the position was, that he did not want anybody to tell him anything about it, that there was no need for members to be informed by a Select Committee, and that, having spoken, there was an end to it. In defence of his contention that there was nothing in Mr. Dickinson's argument he cited a report he had received from the Chancellor of the Exchequer, which stated:—

In the first place, even if further and fuller examination of costs and markets shows that the scheme will be very attractive economically, it does not seem as if it will be very easy to raise money from steel interests in the United Kingdom, since, as Mr. Playford will know, a certain amount of their resources will be required to give effect to the denationalization of the industry.

On this, Mr. Playford ought perhaps to be told that, as at present planned, the British steel industries' own development proposals involve a progressive reduction in imports of crude steel and pig iron, and it is expected that by 1958 only marginal imports of finished steel should be necessary. The Chancellor hopes he is not sounding too pessimistic; he certainly does not intend to do so. But he feels that Mr. Playford might like to know of the United Kingdom position before going on to work out the further details of the scheme. If the scheme as eventually worked out were to give satisfactory answers to the problem of costs and markets, it could, he feels, be a very useful addition to Australia's resources.

Had the Premier taken the trouble to examine Mr. Dickinson's report in detail, he would have known that, in making his recommendations, Mr. Dickinson paid close attention to the plans of the British Steel industry for the 1957-58 period, which were brought forward to the Chancellor of the Exchequer, and to the prospects of markets in the United Kingdom and elsewhere. The Director's report was made after a full examination of resources, needs and markets, but apparently the Premier paid no attention to it because he had made up his mind before the question was raised or Mr. Dickinson had made his report.

Mr. Riches—Had the Premier thought of it first things might have been different.

Mr. DUNSTAN—Perhaps, but he had made up his mind and there was an end to it. After that burst from the Premier in which he gave no adequate reason for denying the right of this House to an inquiry into the Director's recommendations, Mr. Christian made a speech which in substance supported Mr. Riches' arguments. He supported the need for an inquiry, but for some reason not disclosed in his remarks he said he would oppose the motion. Mr. Shannon said he thought there was something to be said for the scheme and was in agreement with Mr. Riches' motives, but he felt that it would be better not to have an inquiry and to leave it to the Broken Hill Proprietary Company to do what he admitted it had not done in the past. He hoped that it would be done, but he did not give any indication as to how it would be done. Mr. Hawker gave a clear reason why he opposed the motion, and he was the only member to do so. He said he felt that everything was all right and that there was no need to criticize the present situation or the company, because everything was as it should be. He admitted that the Director of Mines was an able officer but that he was wrong in his suggestion about steelworks, that there was no necessity for an inquiry, and there was no need to do anything which was not now being done. Apparently Mr. Hawker did not pay much regard to the report and recommendations because he made no attempt to answer the Director.

These were the reasons advanced against the motion, which, as Mr. Macgillivray pointed out, does not commit Parliament to anything but the holding of an inquiry. The facts and recommendations contained in the report must impinge on the conscience of every honourable member regarding the future development of secondary industry, yet a number of members say there should be no inquiry and that the report should be allowed to pass by, and it seems that the Premier does not want it. I do not propose to refer to the contents of the report. They have been thoroughly canvassed by the mover of the motion. I am not an expert in mining, but from an unbiased and non-party view there is the clearest possible case for an inquiry; not one valid reason has been raised against the motion. Why do members opposite want to hush up the matter? Why do they refuse an obviously needed inquiry? I hope there is no ulterior motive. If there is nothing to hide, why do they refuse an inquiry? It would place no obstacle

in the way of establishing steelworks and may make their establishment a practical reality in the foreseeable future. All members, except Mr. Hawker, desire it, but the Premier has spoken.

Mr. Dunks—If you have heard nothing from members on this side how do you know that they will not support the motion?

Mr. DUNSTAN—I shall be glad to see them supporting the motion, but I understood from their silence that they did not favour it. If they do, I shall be overjoyed and shall be delighted to sit on the affirmative side with Mr. Dunks and other members when the vote is taken.

Mr. FLETCHER (Mount Gambier)—I support the motion. There should be an inquiry into the possibilities of establishing steelworks in South Australia. This view is supported by the reply given yesterday to Mr. Corcoran about the shortage of galvanized iron. We send our iron ore to Newcastle, but we get back limited galvanized iron supplies. The Premier said that when building materials controls were lifted we were about 1,400 tons behind in our galvanized iron orders, but today we are 18,000 tons behind. He said that other building materials were available, but does he expect a man to put a tile roof on a cowshed? In my district settlers have had the walls of their cowsheds up for some time but have been unable to get roofing iron. I believe our galvanized iron is sent overseas. A South-Eastern man interested in a hardware business recently visited towns in New South Wales where the galvanized iron is manufactured and he was astounded to see the brands on the cases and to note the places to which the iron was going. He said he was told that the black iron was going to Japan to be galvanized, but I do not know whether that is true. It is from this angle that I support the motion.

Mr. STEPHENS (Port Adelaide)—We have been told that the motion will be defeated, because when the Premier speaks against a matter it is always rejected. He tells his supporters what to do and they do it. They do not care about right or wrong. They always support the Premier, who is like the cricket umpire. He holds up his finger and says "Out," and that is the end of it. The Port Adelaide district needs better water supplies, but they cannot be provided because of the shortage of steel pipes. Recently I asked the Minister the reason for the need to impose restrictions on the use of water and he said that the trouble was the shortage of pipes. He added that if the steel could be obtained more pipes could be manufactured and better water supplies could be made available. There must be something behind the opposition to this motion. When speaking to the motion on September 23, the Premier said:—

I am not arguing against the desirability of having additional steelworks, but pointing out that financially the company is fully extended, and that until it completes its present programme it cannot make other plans. Mr. Lewis does not say that the establishment of a hot strip mills at Port Kembla is the end of its planning, but the company has pointed out that all its staff and technical equipment are being utilized in the present programme.

It seems that our people must go short of water because the B.H.P. Co. is not ready to go on with its programme. If another company were formed the B.H.P. would lose some business, so it seems that the interests of the B.H.P. are held to be greater than the interests of our people, but that should not be. Ever since I have been a member there has been a shortage of cement. Every year when he opens Parliament the Governor says, "We have overcome the problem of shortage of cement," but we are still buying it from overseas. We are getting supplies from England, Germany, and, worst of all, from Japan, yet we have all the necessary materials to make it in our hills. We also have all the necessary raw materials for the manufacture of steel for pipes, yet the Waterworks Department is short of them. I do not know whether it is of any use fighting for this motion, for the Premier has spoken and that seems to be the end of it. However, the shortage of steel products is a major problem. Lack of adequate water supplies in the metropolitan area causes a grave danger to health. We may have an outbreak of disease if our sewerage system does not function properly. I support the motion and hope all members who have nothing to hide will vote for it.

Mr. QUIRKE (Stanley)—I support the motion because of the confidence I have in a man of the standing and calibre of the Director of Mines, Mr. Dickinson. He compiled an exhaustive and illuminating report on the necessity for increasing the output of steel. It was the result of one of the most intensive researches that has been undertaken in this State for many years. He would not have undertaken a research of such magnitude unless he were convinced of the necessity for increasing steel supplies in Australia.

Mr. CORCORAN (Victoria)—I wholeheartedly support the motion and, like the member for Mount Gambier, was astounded to hear the Premier say yesterday:—

When the Building Materials Act terminated outstanding orders of galvanized iron amounted to about 1,400 tons, but I understand at present they total about 18,000.

That is not encouraging information to people who have been awaiting an improvement in the position to get supplies. When opposing this motion the Premier said there was no money available for the purpose and that the Government had no control over the raw materials. It seems that the Government handed over their control to the B.H.P., but I should not think it would do so without having some agreement with it about the utilization of the materials. Was anything embodied in the agreement to this effect, and were any conditions laid down in case of failure to use them properly? I cannot see any harm in passing the motion, for it does not bind the Government to accepting the findings of any committee. If there is nothing to be ashamed of why should not the Government support the motion? I hope the predictions of the member for Mitcham ring true, but I am doubtful in view of past performances of members on the other side of the House. If the motion is carried we may ascertain why we are short of galvanized iron and whether the iron is being used in the best interests of the people generally. If iron is being exported that is to the detriment of our own people. Charity starts at home, and we should look after our people before others.

Mr. DUNKS (Mitcham)—I listened attentively to the debate on this motion, and until this afternoon I was almost persuaded by the arguments advanced that there was a necessity to do something about the matter, but I changed my mind when all members on this side of the House were accused of doing whatever the Premier said we must do. I do not like Select Committees because they can only comprise members of Parliament with no special knowledge, generally speaking, of a subject such as this. If any inquiry is to be made it should be carried out by people who know something about this industry. I intend to move an amendment to strike out "a Select Committee be appointed to inquire into" after "That" and insert in lieu thereof "this House believes in," and delete all the words after "Whyalla." The motion would then read:—

That this House believes in the desirability of establishing a steel works in the vicinity of Whyalla.

It is generally accepted that some years ago this House was in favour of a steel works and rolling mill being established at Whyalla. Sir Richard Butler, who was then Leader of the House, said that at some time in the future the B.H.P. would install a rolling mill at that town and a steel works later. He also said that a tin works might be set up. If the motion were amended as I suggest we should have another indication that the House believes a steel works should be established near Whyalla. It is a great pity that many speakers, including two this afternoon, assumed that members sitting behind the Government consider anything brought forward by opposition members should be discarded. Because the Premier has often allowed members opposite to amend the Bills has has brought down there should be some reciprocity. Opposition members should put forward arguments for their Bills and motions in a persuasive manner and try to convince members on the Government side that their arguments are good instead of condemning them outright and saying that because the Leader of the Government has spoken we have no voice. Government supporters are here as members of Parliament, and I have often said the object of our organization is to elect men to Parliament who are responsible only to the people who send them here. I do not know whether members opposite can claim the same freedom as we have. When the Government introduces a Bill that is in accordance with the platform of the Party, out of loyalty I am committed to vote for it, but my actions for over 20 years should have convinced members opposite that I do not always support Government measures. I instance the landlord and tenant legislation and prices legislation.

Mr. Macgillivray—Surely you will not let a personal thing like that sway you from doing your duty?

Mr. DUNKS—It makes a big difference. The member for Norwood is a young man with the ability to use the persuasive power of eloquence. It might have been better for him to placate me to some extent by saying that the member for Mitcham would support the motion. Instead of that he took up the general attitude of a debater in an ordinary mutual improvement society and assumed that what he had to do was to tackle every member on this side. I believe that steel works should be established at Whyalla if that is at all possible. If we carry the motion that we think it desirable that steel mills be established and the Broken Hill Proprietary is not

prepared to go ahead, then some other firm may see fit to do the work.

Mr. Lawn—If the amendment is defeated, what will be your attitude?

Mr. DUNKS—I will vote against the motion.

Mr. O'Halloran—You believe it should be dumped.

Mr. DUNKS—I believe that steelworks should be established at Whyalla. Some time ago I went to Whyalla and on my return I said in this House that it was very dangerous for Whyalla to rely on only one industry to keep it alive. I added that in my opinion it would be a fine thing if a number of other industries were established there and remarked what a wonderful town it would then be and what a wonderful thing for South Australia, and I have not altered that opinion. It is dangerous to have in a country town only one industry on which to depend. If the B.H.P. decided to transfer its activities to Newcastle what would Whyalla be worth to South Australia? I now move the amendment I indicated earlier.

Mr. PEARSON (Flinders)—This matter is of much importance to South Australia, and, as most honourable members will know, I have previously expressed some concern that all the steel for South Australia has to be obtained from the eastern States, and I have no wish to retract that statement. Recently I have asked several questions touching closely on matters raised in this debate regarding supplies of galvanized iron to South Australia. I rather think that more emphasis has been placed on those aspects than on the real subject matter of the motion, which provides for the setting up of a committee to inquire. In that form the motion is perhaps entirely innocuous. It does nothing to supply steel or galvanized iron to South Australia, although the mover of the motion may say it is an essential first step in that direction. I do not subscribe to that, but rather think the reverse may be the case. I agree with the member for Eyre, who earlier in the debate indicated that he felt that South Australia's needs at the moment related more to the distribution of steel products within Australia than to the establishment of additional steelworks. Admittedly, at the moment, Australia's ability to manufacture steel products is unequal to demand, for a number of reasons. One is that the big lag in steel products has not been overtaken since the war, and another that the Australian demand for steel and steel products is growing, and I think will continue to grow. However, steps are being taken to overcome that lag, and undoubtedly, in due course, it will be overtaken. The motion can do nothing to alleviate the present shortage, and even if the select committee brought down a favourable report would additional steel supplies be made available for a number of years? It is a matter which cannot be solved in five minutes. Therefore, I have asked questions relating to the distribution particularly of galvanized iron, and I intend to pursue those inquiries through questions and other means. I rather favour Mr. Dunks' amendment. Undoubtedly, Australia's future requirements may necessitate an even greater supply of steel than is foreshadowed by present enlargements being undertaken, and possibly a wider variety of steel products will have to be catered for. I believe that in due course steel works will be established in the vicinity of Whyalla, and I subscribe to such a course, but to decide arbitrarily who will do this or do that in the face of commitments which this Parliament has entered into would be improper, and I believe unnecessary.

Mr. BROOKMAN (Alexandra)—I indicate my opposition to the motion, because I do not believe a select committee could do anything to alter the present position. The crux of the whole problem is the finding of the £100,000,000 which the Director of Mines estimates it would cost to establish steelworks. The fact is we have not that amount, and unless we can find it there is not much point in appointing a Select Committee. It would possibly be handicapped from the start because of some major omission which would prevent it from ever achieving anything. No constructive solution could be placed before the committee until it were known where we could obtain the £100,000,000.

Mr. GEOFFREY CLARKE (Burnside)—I feel that whatever merit the motion itself may have, it is premature because Mr. Dickinson's report, on which it is founded is not yet in print, and therefore those who want to speak upon it have had very little opportunity to study the full implication of the report. My view is that industry will go to places which have natural and economic advantages. It is the function of *entrepreneurs* who have the responsibility of bringing capital, labour and resources together to enlist capital to develop resources. It seems to me that the functions of government are carried out when the facilities are available for development and the State

itself gives encouragement, as the present Government has done, to the establishment of new industries in a stable economy. If any new industry is established here, it will be because of natural resources, stability of labour, good government and potential markets. All these things will be found out by the industry itself, and no artificial attraction will have the slightest effect upon the establishment of an industry unless those conditions exist. The industries of the world are looking for new resources to develop and new means of supplying hungry markets. If the establishment of this steel industry is an economic proposition, and we do not want it if it is not, I see no need for a select committee to do what an industry itself must do if it contemplates such action.

Mr. RICHES (Stuart)—I thank those who have addressed themselves to the motion and members generally for the interest they have shown in it. It has been the most widely debated motion this session, a fact which affords great satisfaction, for one of the objects in moving it was to draw public attention to the repeated warnings of the Director of Mines regarding the time lag which has been allowed to develop in giving effect to the promises made in 1937 and to the recommendations he has made from time to time to this House. My motion provides for the setting up of a Select Committee to inquire into the reasons why his recommendations have not been implemented and to advise Parliament on the steps which should be taken to give effect to them. Some objections have been raised to the appointment of a Select Committee on this occasion, but this House has not always been opposed to the appointment of Select Committees. In 1937 the Broken Hill Proprietary Co.'s Indenture Bill was referred to a Select Committee charged with the responsibility of making investigations and advising Parliament on the likely effects of the Bill. Since that time some members who have indicated their opposition to the appointment of a Select Committee on this occasion have supported the appointment of Select Committees to inquire into other matters.

Mr. Dunks said that inquiries should be made by experts in the industry, but the whole burden of those supporting the motion is that inquiries have been made by the most competent person in this State, the Director of Mines, who has made recommendations to Parliament from year to year. Three years ago he conducted special research into the Australian iron and steel industry and made a report which apparently the member for Burnside has not had time to read. That report was designed as a special plea for the establishment of a steelworks at Whyalla without delay. Indeed, so urgent did he consider the proposition that he recommended that, if it was beyond the resources of the B.H.P., a completely integrated steelworks with machinery and personnel should be imported; but Parliament ignored his report and no reference was made to it except by Mr. Christian and myself in the Address in Reply debate.

The Director this year presented another report and warned that the production of the B.H.P. would in 1960 fall short of Australian steel requirements by 2,000,000 tons. In a recent public lecture he said it was a matter of grave public concern that nothing had been done to increase steel production. During the past three years Mr. Dickinson has been around the world and has inquired into the conditions of steel industries in many countries. No-one has been able to challenge the facts and figures in his reports, and Parliament is asked to set up a Select Committee to advise it on steps to be taken to give effect to the Director's recommendations. Parliament cannot write off the report of the Director of Mines who has been accepted, with good effect, as an authority in many spheres. Parliament has waived the provisions of the Public Works Standing Committee Act in regard to Radium Hill and has accepted the Director as an authority at whose behest not merely £30,000 but millions of pounds are being spent on our uranium resources. The same action was taken with regard to the Leigh Creek coal deposits, and complete reliance was placed on his recommendations in that regard. Most of the companies interested in the production of steel are interested in the development of the Nairne pyrites deposits and have accepted his reports on the development of those resources. The figures in those reports with regard to working costs and productive capacity have been readily accepted, and Mr. Dickinson cannot be written off for he is an expert who, after making investigations, has supported his contentions with statistics and tables. I am sorry that at least some members opposing the motion have not read his report recommending the establishment of a steelworks, for every argument advanced against the proposal by the Premier has been answered in that report.

When questioned on the matter, the Premier has stated a number of reasons for the non-establishment of a steelworks. Mr. Brookman said his sole objection to the appointment of a Select Committee was the lack of finance

available to establish a steelworks and asked where the necessary £100,000,000 would be obtained, but in reply to a question earlier this session, the Premier said that lack of finance should not be a major obstacle in this regard and that, if sufficient iron ore could be obtained, the necessary finance would be forthcoming. He said that he had issued instructions for feverish explorations to be carried out on all deposits outside the B.H.P. leases and that, if iron ore could be found, all other difficulties would be ironed out. Mr. Playford said that he had spoken to the Chancellor of the Exchequer, and I believe he did, for later in the debate he read a letter from the High Commissioner substantiating that claim. However, he tried to read into it arguments against the establishment of a steelworks in this State, whereas the letter supported such a project. The Premier had not read the Director's report, because, if he had, he would have found that it answered his objections.

Further, I remind Mr. Brookman that the Director's report, which is an indictment of Parliament, points out that over the years during which he has been asking Parliament to establish a steelworks, Australia has paid in premiums on the price of imported iron a sum sufficient to finance the establishment of a steelworks at Whyalla. That proves beyond doubt that finance is not a major obstacle. The Chancellor of the Exchequer will visit Australia in January and I hope that, as a result of this debate, the Government will take up with him afresh the question of obtaining the necessary finance. If a share issue were floated to finance a new steelworks, I believe it would be fully subscribed within Australia.

Mr. Brookman—Assuming the necessary capital were raised, how long would it be before a return would be obtained from the investment?

Mr. RICHES—The Director says it would take four years for the steelworks to become fully productive. Every civilized country possessing the iron and coal resources of Australia is applying itself to meet the increased demand for steel which we know will exist throughout the world in the immediate future. Canada and U.S.A. have doubled their outputs, and Britain, after increasing its annual output from 7,000,000 to 15,000,000 tons over a short period, has embarked on a further project aimed at an output of 21,000,000 tons a year. Mr. Playford said that an indirect reply received by him from the Chancellor of the Exchequer stated:—

I have now received from London an expression of the views of the Chancellor of the Exchequer on the papers which Mr. Playford left with Mr. Butler in London recently on the prospects for the development of steel production in South Australia. The Chancellor regards the possibilities envisaged by Mr. Dickinson as indeed impressive, but imagines that the ideas put forward will need to be examined further in a good deal more detail particularly in relation to markets and costs of production before Mr. Playford is able to reach any final conclusion.

That further examination has taken place, and its results are stated in Mr. Dickinson's report. The cost of producing steel in Australia is the lowest in the world, as it should be with the mountain of ore we have at Iron Monarch. A complete answer to all queries on costs which the Premier raised is to be found in Mr. Dickinson's report. The Chancellor's reply continues:—

The Chancellor notes that the possible participation of the United Kingdom steel industry and of Her Majesty's Government is contemplated and has asked me to let Mr. Playford have this brief review on his reactions to this.

Apparently the Premier had asked whether British steel interests would be interested in the production of steel in Australia, but, as far as I can see, that was completely foreign to the Director's suggestion and to suggestions emanating from members on this side who would like to see British capital employed but who question whether it should come from the British steel industry which would tie up the Australian industry. The achievements of the British steel industry have been taken into account by the Director in his report. He says that, unless 2,000,000 tons of steel is produced annually in addition to the output contemplated by the B.H.P., Australia will be seriously short of steel by 1960. He urges immediate action, because such a shortage would affect every phase of life. The Chancellor of the Exchequer continues:—

In the first place, even if further and fuller examinations of costs and markets shows that the scheme will be very attractive economically, it does not seeem as if it will be very easy to raise money from steel interests in the United Kingdom, since, as Mr. Playford will know, a certain amount of their resources will be required to give effect to the denationalization of the industry. In addition they will have to find a considerable sum if they are to implement their second steel development plan. This note of warning is merely to let Mr. Playford know that irrespective of the merits of the South Australian scheme the United Kingdom industry will be fairly heavily preoccupied with its own problems. Secondly, the scheme envisages the possibility of some exports to the United Kingdom.

In the Director's conclusions there is no suggestion that Australia would export steel to

Great Britain and he said that Great Britain would not consider importing steel after about 1957. If the Chancellor of the Exchequer had been provided with a copy of the last report of the Director he would not have gone to the trouble of advising the Premier on this situation because it is covered in the report. The Chancellor's letter continues:—

On this, Mr. Playford ought perhaps to be told that, as at present planned, the British steel industries' own development proposals involve a progressive reduction in imports of crude steel and pig iron, and it is expected that by 1958 only marginal imports of finished steel should be necessary. The Chancellor hopes he is not sounding too pessimistic; he certainly does not intend to do so. But he feels that Mr. Playford might like to know of the United Kingdom position before going on to work out the further details of the scheme. If the scheme as eventually worked out were to give satisfactory answers to the problem of costs and markets, it could, he feels, be a very useful addition to Australia's resources. The Chancellor has asked me, in conclusion, to convey his personal good wishes to Mr. Playford.

The Chancellor has said that if the establishment of this industry is sound as to costs and markets—and the director's report leaves no doubt about that—it should be a useful addition to Australia's resources. That letter does not condemn this proposal, but supports it. The Premier mentioned other points in opposition to the appointment of a Select Committee and said that he doubted whether the Director had made any definite recommendation. That statement indicates that he has not read the report because the wording of the Director's appeal leaves no question about his recommendation. He has pleaded that steelworks should be established at Whyalla now, and he enumerates several possibilities as to how it can be done. He suggests the forming of a company comprising all organizations interested in the production of steel—the South Australian Government, the Commonwealth Government, the Broken Hill Proprietary Company and the investing public. Each of those interests would be shareholders and that would be a means of financing a new company. Obviously, the B.H.P. would be a shareholder because it holds rights over iron ore leases. Is the Premier justified in saying that the B.H.P. would have nothing to do with such a company and that it would refuse to supply iron ore to a steelworks in which it has an interest? The Nairne pyrites deposits are being worked successfully. That is a splendid example of co-operative effort. Money has been advanced by the State and by all of the companies interested in the production of superphosphate.

Mr. Geoffrey Clarke—Is the State advancing money or guaranteeing it?

Mr. RICHES—The State is not only guaranteeing money but has been asked to provide that there shall be no repayments of principal for the first two years. The Government is providing housing, water, railway services, and electricity to that industry at rates which other consumers have to pay. Co-operative effort of that nature could establish steelworks at Whyalla. The Premier has no grounds for saying that the B.H.P. would have nothing to do with the establishment of a steelworks because the company has shown a preparedness to associate itself with developmental works in other respects. If it will have nothing to do with the proposal a Select Committee should be appointed to ascertain why it has objections and, if so, are they valid. The Premier also said that he knows that the Commonwealth Government would not be a party to the undertaking, but on what grounds does he make that statement? A sulphuric acid plant is being constructed at Port Adelaide at present and the Commonwealth Government is assisting that venture. Why wouldn't the Commonwealth Government assist in the establishment of a steelworks? It has assisted by way of annual guarantee on the losses in taking water to Whyalla. That guarantee is commensurate with the guarantee put up by the B.H.P., with the difference, however, that the B.H.P. collects all water rates from the township of Whyalla to offset its guarantee but the Commonwealth Government collects no water rates to offset its guarantee.

The Hon. M. McIntosh—The State still pays most of the losses.

Mr. RICHES—I admit that, but the State has co-operated. That is further evidence of what can be achieved by co-operative effort. It was quite natural for the Director, in recommending the establishment of a steelworks at Whyalla, to suggest that it might be done by co-operative effort. That leads me to the curious interpretation placed on the report by the member for Burra, who interpreted it as an attack on the B.H.P. He set out to show that he was opposed to the appointment of a committee because the great B.H.P. had been attacked. He said that it was an efficient company which had bought out the Australian Iron and Steel Company which had set up in opposition to it. That was not difficult because the other company had to purchase raw materials from the B.H.P. No-one has suggested that the B.H.P. is not efficient. With regard to dividends it is tops,

and most members would like to have shares in it. No-one has criticized it or suggested it does not produce steel at a low cost but a wrong interpretation was placed on that part of the report by Mr. Hawker.

Mr. Macgillivray mentioned a reference in the report that the monopoly control of the iron and steel industry by the B.H.P. was not in the public interest. If the report is read in detail it is obvious that the Director has given full credit to the company for the efficiency of its organization. I think the interpretation he wants us to place on that paragraph is that the company has complete control over the iron and steel industry and has set itself a programme of steel production which is 2,000,000 tons a year short of the known Australian requirements in 1960, and that that is not in the public interest. I do not think it fair to place any other construction on his report. Mr. Christian is opposed to the appointment of a Select Committee but agrees that there should be an inquiry into a number of aspects associated with the steel industry. He said that the Commonwealth Government should exercise its powers and regulate the export of steel and iron ore, because they should be preserved for our own use. That is one of the strong recommendations of the Director so Mr. Christian should support an inquiry. South Australia supplies 99 per cent of the iron ore needed in Australia. Mr. Dickinson said that we have not got unlimited supplies of high-grade ore. If nothing is done in the matter, in 15 years we may be extremely short of high-grade ore. Referring to the method of treating taconite in America, he says that there are billions of tons of taconite above the surface in various parts of the State, and he suggests further exploration into the matter. It is something into which a Select Committee could inquire. Mr. Christian adopted a defeatist attitude. He said that when the B.H.P. Co's Indenture Bill was before Parliament all the rights over our iron ore were given to the company, and in consequence no further action by the State would be proper.

Mr. Christian—I did not imply that. I said the contracts could not be broken.

Mr. RICHES—No one has suggested the breaking of contracts. The tenor of the honourable member's speech was that nothing could be done because the iron ore deposits are tied up by the agreement with the company. It is not averse to selling iron ore overseas, so why should it be averse to selling to an Australian company, of which it could be a shareholder? There could be negotiations with the company. Mr. Christian said:—

I remind the member for Stuart that by the Broken Hill Proprietary Company's Indenture Act, 1937, we gave away for all time our rights in our iron ore resources.

I agree with that, but he went on to say:—

Need I remind the honourable member that there were only three members who opposed it. That is not so. I believe the majority of members of Parliament at the time were opposed to the proposal.

Mr. Christian—What about the vote?

Mr. RICHES—There was no division on the clause. The agreement was a document signed by the Government and the company following on negotiations outside Parliament. When the matter came before Parliament there had to be a decision either for or against the agreement, which was in the schedule to the Bill. There was provision for the establishment of a blast furnace at Whyalla, an increase in the royalty from 3d. to 6d. a ton, and a reference to the Public Works Committee about providing a water supply. The vote taken in Parliament was on the schedule, which could not be amended. Although members did not like it and it was debated by almost every member of the Opposition, it had to be accepted. The vote was on the acceptance of the agreement, although a number of members were opposed to granting leases for all time. Only half the royalty paid for road metal is paid as royalty on one of the most valuable ores South Australia possesses. The Premier said that the company was at present engaged in an expansion programme at Port Kembla, and was establishing works in Western Australia. To the extent that it has done these things before establishing steelworks in South Australia it has got away from the spirit, if not the letter, of the agreement with the Government. When the agreement was before Parliament in 1937 the then Premier said:—

It is generally realized that iron and steel are key industries, and that wherever they are established other industries must ultimately follow. If steelworks had been established in South Australia I am certain that the sheet steel industry would have been located here. Even now I am of the opinion that if the B.H.P. ultimately manufactures strip steel here a branch of the sheet steel works is within the bounds of practicable possibility, more particularly as the motor body industry is the biggest user of such steel. It is tremendously important, and the actions of the whole world reveal it, that whenever a steel works is established 101 other industries grow up around those works, especially subsidiary industries.

I am certain that the establishment of this blast furnace will be followed by the establishment of steelworks, and I can visualize the development in this State in connection with secondary industries. I am sure that every member will approach the question with that aspect in view. Not only should members consider what it gives to us today, but what it will mean to South Australia in the future. It means a lot today to have a firm prepared to spend approximately £1,500,000 on the works set out in the agreement. Ultimately we can look for the establishment of steelworks. No matter to what part of any country we may go, it will be found that once a blast furnace has been established for the manufacture of pig iron, steelworks ultimately follow. That is a natural corollary . . .

The position is that blast furnaces for producing pig iron do not of themselves require a great deal of water and no large Government water schemes are demanded for this purpose.

Clause 13 of the agreement read:—

In order to assist the company to further extend its work by the establishment in the vicinity of Whyalla of coke oven plant and/or works for the production of steel, rolling mills, and other plant, the Government on being notified by the company that it is prepared to establish any such works will use every endeavour to provide the company with a supply of fresh water at the site of such works sufficient for the full requirements of the company at such fair and reasonable price as may be mutually agreed upon.

Believing that the company wanted water for the establishment of steelworks at Whyalla the Government authorized reticulation from the River Murray. I know that a war has intervened since the agreement was signed and that there have been labour shortages to prevent the company from fulfilling its obligations, but since signing the agreement it has established steel works at Port Kembla. It had no right to do so because its first obligation under the agreement was to South Australia. It is establishing works in Western Australia yet there is no indication of any intention to establish works here. In evidence given to the Select Committee in 1937 the directors of the company envisaged steel works which it was prepared to finance. When giving the Joseph Fisher lecture at the Adelaide University in 1947, Mr. Essington Lewis said that steel works would be established by the company, which would meet the expense. Since that time it has gone in for expansion elsewhere, so it is competent for the Director to ask questions about the future control of the iron ore industry. We are entitled to ask the question and that is why I have moved for a Select Committee to inquire into the matter. In the limited time at my disposal I have examined the amendments moved by the member for Mitcham, and in the spirit of compromise which characterises members on this side I am prepared to accept them. If the motion is passed, I believe that it will be an expression of opinion by this Parliament that steel works should be established at Whyalla, and a direction to the Government that we expect some action to be taken. I have been here long enough to know that the numbers are stacked against us, so I support the amendments. However, I do so on the understanding that if the motion is passed we shall expect this matter not to be pigeonholed, because if no action is taken I propose to submit a further motion to the House next session.

Amendments carried; motion as amended carried.

SCAFFOLDING INSPECTION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 28. Page 1202.)

Mr. DAVIS (Port Pirie)—I believe that justice should be done to people living in the country outside the area in which this Act applies, and was astounded at the objection of the Premier to an extension of the Act. Speaking in opposition to the Bill, the Premier said that the honourable member who introduced it doubted whether the Act was being effectively administered, but there was no such doubt in the minds of members on this side. All we want is an extension of the Act. The Premier also stated that if the member introducing the Bill desired it to be passed, he should submit a list of scaffolding accidents that have occurred in the State over a number of years, but I doubt whether the Premier or any other member has any record of this. Even if such information could be provided, it would not be correct for the Premier to say that because only a certain number of accidents happened over a certain period, no alteration to the law is necessary. Many accidents that occur in the country are not reported, because many people when erecting a building would not go to the trouble of using a scaffold, so that when an accident occurs it is not regarded as being caused by improper scaffolding.

Does the Premier desire a number of deaths before he is prepared to extend this Act to country areas? Does he expect members on this side of the House to keep a record of all accidents that take place outside the metropolitan area? In reply to an interjection by the honourable member for Goodwood, who

asked whether he was of the opinion that more inspectors should be appointed, he said:—

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 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.

No-one desires to have greater grants if they are obtained at the expense of the workers of this State. Although the Premier was acclaimed by the Grants Commission, the saving was at the expense of life and limb of certain workers outside the area in which the Act applies. He went on to say:—

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, clambers up to put a nail in the walls, 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.

I wonder how many people the Premier has discussed this matter with. He said he has not met any taxpayer who desires to see an army of inspectors driving around at his expense, but I do not suppose he would meet any people in outlying areas desirous of having the Act extended to them, because they are quite prepared to carry on in the way they have been doing for many years, having no consideration for the workmen they employ. I am surprised that members opposite will not provide the same protection for country people as for those in the city. The Factories and Steam Boilers Department has the duty of having factories and boilers inspected periodically, and it also administers the Scaffolding Inspection Act. Therefore, I see no reason why its inspectors should not undertake the duty of inspecting scaffolding during tours of inspection for other purposes. Failing this, it should be possible to devise some method by which overseers or surveyors of municipal bodies could carry out this work. This Act should apply to the whole State, because it is just as important to have safe scaffolding in the country as in the city, so I sincerely hope that members opposite will support the Bill.

Mr. FRED WALSH (Thebarton)—I support the measure and consider that this and the Factories Act should operate throughout the State. I cannot understand why an Act to protect men and women from injury, and possible loss of life, should operate only in some areas. The Premier stated that no case had been made out for a change, but the member for Port Pirie just asked whether someone must be seriously injured or killed before protection is afforded to all workers. The Premier said the reports he had received showed there has been no significant number of accidents, but he gets reports only of accidents occurring in proclaimed areas. They may occur daily in industries outside those areas, therefore, unless the accident is fatal the Premier does not know how many occur. He said it would not be in the interests of the taxpayers to appoint inspectors to visit all parts of the State, that buildings 200 or 300 miles apart may be in course of erection and that it would not be possible to send inspectors to all outlying districts. He also said the inspectors are more or less interchangeable. I question whether they are because one line on the Estimates states "Inspectors—Factories, Steam Boilers, Inflammable Oils, and Lifts (12)" and the next line states "Inspectors—Factories, Shops, Inflammable Oils, and Scaffolding (12)," None of the inspectors covered by the second line could be used for the inspection of steam boilers because they are not qualified to do so. Therefore, the inspectors are confined to their respective duties.

Of course, they could all be used on the inspection of scaffolding if those without the necessary knowledge were given some tuition, but that would make only 24 that could be employed on this work. It is doubtful whether that would be sufficient; I have often said

that the number of inspectors in the department is totally inadequate. However, those 24 men could inspect scaffolding at industrial centres not now proclaimed under the Act. For instance, they could be sent to the wine-growing areas and packing sheds in the river districts and in the Barossa Valley as well as to the southern districts where men are frequently employed on scaffolding erected for the maintenance and repair of buildings. I know of accidents that could be attributed to faulty scaffolding, though not being an authority I cannot fairly allege that they were the result of faulty scaffolding, but that may be the cause of future accidents. We should not adopt a parochial attitude to this question. Workers in one part of the State are as much entitled to protection as workers in other parts. The Act should be revised, for it is some time since it was last amended. It should be brought into conformity with similar legislation in other States. The definition of "ladders" is not satisfactory. People should not be permitted to use ladders that are too long. It is common practice, particularly outside the metropolitan area, to use ladders spliced together, but that is dangerous. Only the extension type should be permitted over a length of 30 feet. The Act states:—

"Scaffolding" means any structure or framework of timbers, planks, or other material used or intended to be used for the support of workmen in erecting, demolishing, altering, repairing, cleaning, painting, or carrying on any other kind of work in connection with any building, structure, ship, or boat, and any swinging stage used or intended to be used for any of the purposes aforesaid;

This is the part I am most concerned with and which I have given contingent notice of motion to delete:—

but does not include any steps and planks and trestles and planks usually used for painting, paper hanging, and decorating, and for riveting iron.

I do not know why the protection in the Act should not apply to painters. Recently a complaint was made about a ladder being used by the Architect-in-Chief's Department in the painting of the Public Library. A ladder of 40 feet was used with another 16 feet long spliced to the top of it. When a man ascended the ladder his weight caused it to bow, and the top ladder was almost parallel to the wall. The inspector condemned the ladder and it was taken down, but the Factories Department said the Scaffolding Act did not cover this practice because the ladder was being used in painting. However, it was to the credit of the inspector that he condemned it. A contractor painting the Black Forest school used shaky steps and planks. The workmen objected and although the inspector said the Act did not cover this case the contractor was reasonable enough to discontinue using them. I hope the Bill will pass the second reading, for then consideration can be given to my contingent notice of motion. I also hope that further areas will be proclaimed so as to protect workers in them.

Mr. LAWN (Adelaide)—I support the Bill. In opposing the measure the Premier said:—

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.

The Premier implied that we must justify this Bill by showing many serious accidents have occurred through faulty scaffolding. The figures he gave are sufficient in themselves to justify the Bill. He said that in 1948 there was one fatal accident, that there was none in 1949, and one in 1950. He also said that in five years there were 25 non-fatal accidents. The Leader of the Opposition interjected that only accidents that occur where the Act applies are reported. Undoubtedly the accident figures given to the House by the Premier were from records kept in localities where the Scaffolding Inspection Act applied. The first query which arises is, "If the Act had not applied how many accidents would have occurred?" I think every honourable member, including the Premier, would agree that had the Act not applied in those localities the accident rate would have been much higher. The Premier should have given the accident figures in the areas where the Act did not apply. Relating to the reporting of accidents, section 8 of the Act provides:—

(1) In every case where there occurs in connection with any scaffolding, gear, or hoisting appliance any accident causing loss of life or serious bodily injury to any person, the owner of the scaffolding, gear, or hoisting appliance shall forthwith after the occurrence cause notice thereof to be given to the inspector, specifying the cause of the accident and the name and residence of every person killed or so injured.

In section 329 of the Industrial Code the following is provided:—

(1) The occupier of a factory shall send written notice to the nearest inspector when an accident occurs therein which—

(*a*) causes loss of life to an employee; or

(*b*) incapacitates an employee for work for more than 24 hours.

I admit that that section specifies only accidents which either cause loss of life or result in the employee losing a whole day's work. The Factories Department is the authority which provides the figures read by the Premier concerning accidents under the Scaffolding Inspection Act. It could have given him figures, if he had asked for them, relating to accidents in the country where the Act did not apply. Either the Premier asked for that information and did not give it to the House, or did not ask for it. If he sought the information and withheld it, obviously he did so because, had the figures been given, they would have justified the Bill now before the House, and if he did not ask for it I feel he was lacking in his duty. In his speech on the Bill the Premier said:—

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.

Legislation of this type tends towards greater efficiency. In a recent address the Premier of New South Wales gave figures showing the monetary loss to the community caused by accidents. All accidents which deprive the country of a workman's effort are a loss to the community which is reflected in its efficiency. All authorities agree that the lower the accident rate in workshops the greater the efficiency and productive capacity of the State. The fact that the Grants Commission reported favourably upon the efficiency of South Australia is a further justification for this type of legislation. From the observations of honourable members opposite, if they are sincere regarding efficiency and greater production, I feel they should favour the Bill. Large overseas firms operating in Australia receive letters from their parent companies emphasizing that the accident rate should be kept as low as possible. Although they may be concerned with the welfare of their employees, they are more concerned with production. In his speech on the Bill the Premier said:—

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.

Later he said:—

It is not possible to establish at reasonable cost the adequate inspection of scaffolding in far distant areas which may be seperated by 200 or 300 miles from the next building to be erected.

to which Mr. Stephens interjected, "Shouldn't country workers have the same protection as city workers?" and the Premier replied:—

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.

The implication in the Premier's speech was that we must have a high accident rate, and even a fairly high fatal accident rate, before he would agree that this legislation was justified because he said, "We have no evidence that country workers are not afforded the same protection as those in the city." The only evidence he will accept is the figures supplied by his officers. He mentioned that two fatal accidents had occurred in places where the Act applied. He also said:—

The Acts Interpretation Act says that the guiding features of all legislation should be remedial.

The fact that he did not mention the fatal accidents in the country where the Scaffolding Inspection Act did not apply left me with the impression that he insists there must be a heavy accident rate before this type of legislation is warranted. I believe that everything possible should be done to avoid accidents, firstly, in the interests of the human beings concerned and, secondly, from the point of view of the State's productive capacity. He also said that if a number of inspectors were involved in policing the Act taxpayers would have to meet the heavy cost. If we do not have proper scaffolding requirements we shall be involved in heavier hospital costs, which would probably be greater than the expense of the additional inspectors. In the long run the State will gain through seeing that everything possible is done to safeguard our building workers. Recently ladders longer than 14ft. were lashed together and used by men in painting the outside walls of Parliament House. In King William Street at least two 30ft. ladders were lashed together and used by men working on the walls of the Treasury Building. Workers should not be called upon to climb such long ladders to clean buildings. At every opportunity I will take the same stand as I am taking on this Bill and will support legislation designed to safeguard health. Other members, too, should support the Bill.

Mr. JOHN CLARK (Gawler)—I, too, support the Bill. The Scaffolding Inspection Consolidation Act, introduced by the then Attorney-General on September 5, 1934, was described as an Act to consolidate certain Acts

providing for the inspection of scaffolding and other purposes. Since then Opposition members have made several attempts to amend the Act so as to make its provisions apply not only in the city and other specified districts, but throughout the State. In fact most of us find difficulty in understanding why the whole of the State was not originally covered by the Act. All members will agree that safety of life and limb is just as important in the country as in the city.

Mr. McAlees—Possibly more so.

Mr. JOHN CLARK—Possibly, because after all we hope to decentralize our industries and develop country areas, and therefore we should protect the workers in those areas. Members on this side have always maintained that scaffolding safety is policed well in certain areas, but after exhaustive inquiries I have found no satisfactory reason why the Act should not cover the whole State. Why should country workers be allowed to run risks in this regard? It is absurd to say that scaffolding must be safe in the city but need not be in the country. Members have heard some deplorable country *versus* city arguments, but it is true that the men in the country are husbands, brothers and fathers, the same as those in the city and they should be protected in the same way. Many workmen in the building trade throughout country areas have requested an extension of the provisions of this legislation to cover them. The Premier may say that no such request has been made to him, and that may be true, for the building workers know that the Premier is unsympathetic towards their requests and so they go to those members who are sympathetic.

It seems ridiculous that a workman engaged by a contractor in the city is protected by the provisions of this Act and knows that the scaffolding on which he works is safe, but, if the same man employed by the same contractor goes into the country on a job, he finds that scaffolding regulations are not policed. Indeed, it is more than possible that contractors find some difficulty in getting men to work in the country for that reason. They may find that workmen are reluctant to go into the country on jobs because they realize that they may not be as safe working there as they would be in the city. Much building activity is required in our country areas, but in country towns it is often difficult to get work done by a local contractor, for in some cases he simply does not exist. In many districts city firms are engaged to do a construction job, but their workers are not protected there by this legislation. Workmen will prefer to work where they are sure of protection, and who is to blame them for that?

Mr. O'Halloran—That may be the reason why it is difficult to get workers to go into the country.

Mr. JOHN CLARK—Yes. The Premier made much play on the brevity of Mr. Walsh's explanation of the Bill, but there was a reason for that brevity. It seemed that the Premier seized on it with much glee and that he assumed that Mr. Walsh was not very enthusiastic about the Bill, but no member is more enthusiastic about it than Mr. Walsh, who is deeply concerned with the interests of workers in the building trade. He spoke only briefly on this matter because apparently he believed that his case was so fundamentally just that arguments were not necessary and that the facts would justify his case. He knew this matter had been ventilated in this House several times previously, and not unnaturally he hoped that the arguments used over the years might have cracked the Government's edifice.

Mr. Hutchens—The constant dripping of water weareth away the hardest stone.

Mr. JOHN CLARK—Apparently it had not on this occasion, for Mr. Walsh's hope has not been fulfilled. That hope may have been the only fault inherent in his remarks. He may have guessed differently, but he is an optimist who is most anxious to do what he can for the workers in the building trade and to do what is just and right. He could see the obvious justice of his case and did not trouble the House with a long-winded statement.

Mr. Stephens—In addition, he has worked on scaffolding.

Mr. JOHN CLARK—Yes, and he knows the dangers in that regard. In opposing similar legislation on October 1, 1947, Mr. Playford said:—

I believe that in general principle the Bill may be desirable, but I do not know of any reason why we should pass it.

That is an incredible statement, and I have never heard anything more contradictory.

Mr. O'Halloran—It sounds like South American logic.

Mr. JOHN CLARK—Yes, it is a peculiar logic. I ask leave to continue my remarks.

Leave granted; debate adjourned.

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

TEXTILE PRODUCTS DESCRIPTION BILL.

Second reading.

The Hon. Sir George Jenkins for the Hon. T. PLAYFORD (Premier and Treasurer)—I move:—

That this Bill be now read a second time.

Its purpose is to provide for the labelling of textiles. As members are aware, an Act providing for the labelling of textiles was passed by this State as long ago as 1944. This Act was drafted to carry out a scheme agreed upon by all the States and the Commonwealth and its operation was postponed pending the passing of uniform legislation throughout Australia.

Before this was achieved the Commonwealth intimated that it believed that the scheme agreed upon was unworkable, and that it proposed to make regulations on different lines, which amounted to an entirely new scheme. As it is essential that there should be uniformity in this matter between State laws dealing with the sale of textiles and Commonwealth regulations dealing with their importation into Australia, it was necessary to re-open negotiations in order to consider the objections of the Commonwealth to the scheme previously agreed upon, and to reach some new agreement.

The principal objection made by the Commonwealth to the existing scheme was that it required a trade description to indicate the percentages in a textile product of virgin, re-processed and re-used wool. The Commonwealth maintained that it was impossible for an analyst to distinguish in a finished product between these different types of wool, so that it would be almost impossible for a prosecution under the scheme to succeed. The State Governments were unwilling to accept this objection since dropping the distinction in trade descriptions between virgin, re-processed and re-used wool meant discarding an important feature of the existing scheme. However, after full discussion and investigation, it became apparent that the objection must be accepted. State Governments found that the objection was supported by their own experts. The Government Analyst of this State reported:—

I do not think that it would be possible to ascertain by analytical means the proportions of virgin, re-processed and re-used wool when these appear together in a finished sample.

Final agreement on what was to be done was reached after a series of conferences. In July of this year a conference of State Ministers recommended that legislation should be passed by the States on the lines of Commonwealth Commerce (Import) Regulations giving effect to the Commonwealth scheme, which regulations by that time had already been made. The Government is introducing this Bill in accordance with that recommendation. It is based on a draft prepared by the Governments of New South Wales and Victoria, the draft being drawn up on the lines of the Commonwealth regulations. In effect, the new scheme requires only the percentage of wool in a textile product to be indicated in a trade description attached to the product, without reference to the type of wool.

Before the Bill is explained in detail, one other feature of the new scheme calls for comment. Under the Textile Products Description Act, 1944, percentages of fibres other than wool in a textile product were required to be shown in a trade description. Under the present scheme, it will only be necessary to show such fibres in order of dominance by weight. The Commonwealth maintained in discussions that it would be exceedingly difficult for manufacturers to ascertain such percentages, and in addition that disclosure of them might endanger their trade secrets. The Commonwealth pointed out that in any event, disclosures of percentages of fibres other than wool was not essential in legislation primarily designed to prevent the passing off as wool of substances which contain little or no wool. This Government feels that the suggestion that such fibres should be shown in order of dominance by weight only is reasonable and acceptable. To show them in order of dominance only will materially reduce the amount of detail required in trade descriptions.

Clause 3 of the Bill repeals the Textile Products Description Act, 1944. If the Bill becomes law, this Act will no longer be required. Clause 4 contains definitions of various terms. Clause 5 prohibits the selling of any textile product unless a description complying with clause 6 is attached. Clause 6 contains the main provisions of the Bill. Paragraphs (*a*), (*b*) and (*c*) of subclause (1) of clause 6 deal with the nature of descriptions and their attachment to textile product. Under the Textile Products Description Act, 1944, there is an option to attach a description either to the product itself or to a wrapping or covering. Under the Bill the general rule is that a description must be attached to the product itself. A description can only be attached to something other than the product itself where provision is made by regulation for that to be done.

The remaining paragraphs of subclause (1), paragraphs (*d*) and (*j*) deal with the information to be given in any description. The provisions of those paragraphs may be summarized as follows:—Where a product contains 95 per cent or more by weight of wool, the description must include the words "Pure wool." Where a product contains less than 95 per cent wool, the description must not include those words. Where a product contains less than 95 per cent wool and more than 5 per cent the percentage of wool must be shown, and the other fibres indicated in order of dominance by weight. Where a product contains less than 5 per cent wool, the other fibres must be shown in order of dominance, followed by the words "Less than five per centum wool." Where a product contains no wool, the fibres contained in the product must be shown in order of dominance. Where a product contains any loading other than an ordinary dressing, the description must include the words "Loaded" or "Weighted." Under subclause (4) of clause 6 "ordinary dressing" is defined to mean any dressing which is used for ordinary trade requirements, is not an adulteration, and is not calculated to deceive as to the quality, substance ,or nature of a textile product. It is intended that through the operation of this provision, dressings such as tin or rice flour used in the textile trade will be required to be disclosed, whereas substances used merely in the process of manufacture will not. Finally, where a product contains paper, the description must include a statement to that effect.

Subclause (2) of clause 6 permits a description to be attached to any prescribed label, reel or thing used in connection with a textile product. Subclause (3) provides that if a textile product contains less than 5 per cent of any fibre other than wool or paper, the description need not mention that fibre. Subclause (4) has already been dealt with.

Clause 7 provides for two defences to a prosecution under the Bill. The first, which is taken from the Textile Products Description Act, 1944, makes it a defence that at the time an offence is alleged to have been committed a textile product bore the description attached to it when the defendant acquired it and the description appeared to comply with the Bill. The second defence is that the textile product was manufactured in or imported into the State before the commencement of the Bill. Clause 8 makes a contravention of the Bill an offence punishable summarily. Clause 9 provides for the making of regulations and, in particular, for the making of regulations exempting any textile product from the provisions of the Bill. There has been considerable discussion between interested parties on the necessity for some protection to both the producers and the users of woollen products and this Bill is the result of those discussions. When the original legislation was enacted it was assumed that certain things could be done but in practice it was found to be exceedingly difficult to administer the provisions. This measure will afford a substantial measure of protection to the people concerned in the growing and processing of wool and the purchasers of what are sometimes alleged to be woollen garments but which only contain a percentage of wool.

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

THE SAVINGS BANK OF SOUTH AUSTRALIA ACT AMENDMENT BILL.

Second reading.

The Hon. T. PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time.

Its object is to enable the trustees of the Savings Bank of South Australia to appoint officers and to fix their salaries without obtaining the approval of the Governor. Section 19 of The Savings Bank of South Australia Act, which deals with the appointment of officers and the fixing of salaries provides that the appointment of officers and fixing of salaries by the trustees are subject to the approval of the Governor. The section has contained this provision since it was originally enacted in 1861. These provisions are a source of trouble and inconvenience both to the trustees and the Government. The approval of the Governor must be obtained for the appointment of every subordinate officer or employee, and for every alteration of their salaries and wages pursuant to awards, agreements and determinations in force in the bank from time to time. As can be imagined a large amount of correspondence and much work and trouble are involved.

The trustees have approached the Government with the suggestion that the approval of the Governor should only be required where an officer is appointed to a position the maximum salary of which is outside the automatic salary scale in force at the bank at the time. They propose that in this case the appointment

and the range of salary to be paid should be subject to the approval of the Governor. The Government has accepted the suggestion as it sees no good reason why the trustees should not have a free hand in the appointment of their subordinate officers. The Bill therefore by clause 3 re-enacts section 19 of the principal Act with such amendments as are necessary to provide for the appointment by the trustees of officers without the approval of the Governor, except where an officer is appointed to a position the maximum salary of which is outside the automatic scale in force at the bank. A provision in the original section requiring appointments and removals to be published in the *Gazette* has been dispensed with, being regarded as unnecessary. Clause 4 makes a consequential amendment to section 20 of the principal Act.

This is purely a machinery measure. The bank believed for a considerable time that it was not necessary to get the approval of the Governor for temporary appointments to cleaning and similar positions, but the original Act intended that all appointments should be formally submitted to Executive Council for approval by the Governor. No question of policy is involved in this matter.

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

BUILDING CONTRACTS (DEPOSITS) BILL.

Adjourned debate on second reading.

(Continued from October 6. Page 900.)

The Hon. T. PLAYFORD (Premier and Treasurer)—Continuing my remarks, the Bill provides that if a deposit is received by the builder under a building contract for the erection of a dwellinghouse, the deposit is to be paid into a special deposit account and thus the interests of the building owner are safeguarded. It has been pointed out to the Government that the same position could arise under contracts for the alteration or addition to a dwellinghouse or for the erection of such as garages and fences or appurtenances to a dwellinghouse. The amendments to clause 3 therefore propose that the provisions of the Bill will extend to contracts for the alteration of or addition to any dwellinghouse and to contracts relating to any building, structure or fence which is appurtenant to any dwellinghouse. The Bill is non-contentious. Its provisions have been in operation with some success for a number of years and on a number of occasions persons have been prevented from losing money through the default of a builder or because he has become financially involved.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Requirements as to deposits under certain building contracts."

The Hon. T. PLAYFORD (Premier and Treasurer)—I move—

In paragraph (*a*) of subclause (1) to insert after "construct" the words "alter or add to."

Mr. O'HALLORAN (Leader of the Opposition)—I see no difference in principle between a contract let for the erection of a house and one let for the addition of appurtenances to a house. If the work is of sufficient importance to justify a contract and a deposit it is proper that it should be brought within the scope of the clause. As the amendments to be moved by the Premier improve the Bill and provide a greater measure of protection I support them.

Amendment carried.

The Hon. T. PLAYFORD—I move—

In paragraph (*a*) of subclause (1), after "dwellinghouse" to insert "or any building, structure, or fence which is appurtenant to a dwellinghouse."

In paragraph (*b*) of subclause (1) to delete "of the dwellinghouse" and insert "alteration or addition, as the case may be."

In paragraph (*c*) (i.) of subclause (1), to delete "of the dwellinghouse" and insert "alteration or addition as the case may be."

In paragraph (*c*), subparagraph (ii.), to delete "of the dwellinghouse" and insert "alteration or addition as the case may be."

In subclause (2) to delete "of the dwellinghouse" and insert "alteration or addition as the case may be."

In subclause (7) after "construction" to insert "or alteration."

In subclause (7) after "of" last occurring to insert "or addition to," and after "dwellinghouse" in the same line to insert "or any building, structure or fence which is appurtenant to a dwellinghouse."

Amendments carried; clause as amended passed.

Clause 4 and title passed. Bill read a third time and passed.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 2).

The Hon. T. PLAYFORD obtained leave to introduce a Bill for an Act to amend the Road Traffic Act, 1934-1952.

STAMP DUTIES ACT AMENDMENT BILL.

The Hon. T. PLAYFORD obtained leave to introduce a Bill for an Act to amend the Stamp Duties Act, 1923-1952.

ROAD TRAFFIC ACT AMENDMENT BILL (No. 1) (FEES).

The Hon. T. PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend the Road Traffic Act, 1934-1952.

Motion carried.

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

The Hon. T. PLAYFORD—I move—

That this Bill be now read a second time.

I thank the Leader of the Opposition and other members for their courtesy in enabling me to place this Bill before the House tonight. The Grants Commission is starting its formal sittings in Adelaide tomorrow, which will require me to be absent from the House for several days. As there is some urgency in connection with this Bill, I desire to place it before members, so that they will have an opportunity of studying it, and be prepared to debate it as soon as the Grants Commission sittings are over. This Bill will not come on again this week or next week, but will be debated from the Tuesday of the following week. It is the desire of the Government to clear up this matter fairly early because of the necessity to give sufficient time to the Registrar to send out the altered notices, which will involve a considerable amount of work.

The amendments proposed are all of a financial nature and are designed to secure more adequate revenues for the maintenance and construction of roads in accordance with modern requirements. For some time the Government has been aware that the roads of this State are not satisfactory, and I suppose there is hardly a member, particularly from country areas who has not had complaints about them. Numerous resolutions have been passed by district councils, and notwithstanding modern plant and equipment placed in operation by the Highways Department, in the last few years we have not been making progress on our roads system, but have been barely maintaining those in existence.

Mr. O'Halloran—And not often doing that.

The Hon. T. PLAYFORD—I accept in part the remark of the Leader of the Opposition, because I know of some roads that have deteriorated very badly. The Government has given some consideration to this matter, and proposes to alter the Highways Act to a certain extent. Parliament has already approved of amendments to the Constitution Act to enable additional Ministers to be appointed, and it is proposed this session to give a Minister some authority in connection with the road programme to enable the Government to have more direct control over it, and at the same time to bring it automatically more within the control of Parliament. I am not criticizing the officers of the Highways Department, because that department has been fighting a losing battle. Members will realize this when they hear some of the figures that I will submit later, and remember that the revenues received by the department from motor taxation have not been altered for many years, during which period the purchasing power of money has been steadily deteriorating. Quite apart from the aspect of the main roads and highways, the position with regard to assistance to councils has become of great urgency, because there is scarcely a council in this State, including those in the metropolitan area, which has not been asking for additional assistance to enable them to meet, in some degree at least, the demand being made by the public for services. For many years it has been the practice to earmark all forms of State levies upon motor vehicles and drivers for expenditure upon roads. A first charge upon this revenue is, of course, the cost of collection, but the whole of the remainder is used for road purposes—that is, construction and maintenance of roads and interest and sinking fund payments on road loans and the administration of the Highways Department. The Government does not intend to depart from that principle. The whole of the additional moneys provided for under this legislation will be earmarked for the purposes that already have been enunciated and approved by Parliament; that is, they will be used solely for roads. Although it may be

claimed that motor taxation is being increased, I would rather put it that the provision for road making is being increased, because this money will be directly earmarked for road expenditure as in the past 10 or 15 years at least. Also there is payable to the Highways Fund for road purposes the whole of the amount received from the Commonwealth as this State's share of the petrol tax. In the present financial year the Government expects to receive about £1,675,000 from this source. The Commonwealth levies 10d. a gallon on imported petrol and 8½d. a gallon on locally refined petrol, and from its receipts it pays to the States for road purposes 6d. a gallon on imported petrol and 3½d. a gallon on locally refined petrol. The allocation of this money between the States is determined by the Commonwealth, having regard broadly to needs. The present arrangement with the Commonwealth runs until June 30, 1955, and although the State Premiers have asked the Commonwealth to earmark for road purposes an increased proportion of petrol tax receipts, there seems no immediate likelihood of increased revenue from this source.

Except for the abolition in 1948 of the war-time reduction of 25 per cent in motor vehicle taxes, there has been no substantial variation in motor vehicle taxation in this State since 1929. Since that time, of course, the revenues have increased correspondingly with the increased number of vehicles registered. Until the recent post-war inflation the increase in revenues kept up fairly well with the increases in road requirements, but now the increased costs of labour, plant, and materials have far outstripped available revenues. These increased costs, coupled with shortages of plant and labour during and after the war, have caused a serious deficiency in maintenance of public highways, and most inadequate construction of new highways. Since 1939 the cost of roadmaking has increased by 3½ or 4 times. The price of motor vehicles has increased in much the same proportion and petrol is now twice as high; the basic wage is three times as high, and the general retail price level is 2½ times as high. However, the adjustments of taxes contemplated in this measure involve an average increase very much lower than these changes I have quoted—in fact, the average increase will be about two-thirds.

From present rates of motor taxation the Government would expect to receive this year about £1,550,000, after deducting costs of collection. This, together with £1,675,000 from the petrol tax, would make slightly less than three and a quarter millions available for roads. Having regard to increased costs, this would fall short by about one and a quarter millions of the amount necessary to achieve the amount of road work of 1951-52, which was our best year for work achieved on roads recently.

Mr. Quirke—That sounds ominous.

The Hon. T. PLAYFORD—It shows the altered economic circumstances in which we find ourselves. Even so, that year can hardly be claimed to have kept fully abreast of requirements. In the increases proposed in this measure an endeavour has been made to supplement revenues sufficiently to achieve as much as in 1951-52. The anticipated yield in a full year from the increases proposed is about £1,100,000, though increasing registrations in subsequent years will doubtless add somewhat to this. During the last two years the Government supplemented the Highways Fund with £450,000 in loan money in 1951-52 and £360,000 in 1952-53, but this procedure cannot be continued. In the first place loan money can ill be spared from urgent developmental and capital projects, and in the second place, except for such a major improvement as a large bridge, it is not desirable to prejudice future finance by committing them to interest and repayment for present normal road work. Even assuming we had the necessary money, if we set out on a programme of building roads from loan money the interest charges would be so great that the programme would steadily but surely come to an end. Although it sometimes looks attractive to finance road programmes from loans, when we borrow money for any purpose under the Financial Agreement, we are committed to interest payments for 53 years.

Fortunately, because of a number of happy circumstances, the Government found it practicable last year to set aside, out of general revenue, £620,000 for special road work. Of this £120,000 is earmarked for roads of access to War Service Land Settlement areas, and £500,000 for developmental roads in country areas. These payments into the highways

fund postponed for a little while the necessity for increasing motor tax rates; but such subsidies out of ordinary revenues towards roads clearly cannot be continued, and must be regarded as a fortunate but isolated occurrence. When considering the public finances of this State we must have regard to the standards set by the non-claimant States. We receive from the Grants Commission over £6,000,000 a year, and the Commission calculates our grant on the basis that we must have the same standards as non-claimant States if we put forward the same effort as they do in raising revenue. The increases that have been made in motor taxation in other States have seriously put us out of step. Apart entirely from the urgent necessity for providing additional funds for road works, the Government points out that with recent adjustments in motor tax rates in other States, South Australia, as well as losing the funds for road works, may also be seriously prejudiced in its special grant recommended by the Commonwealth Grants Commission if it does not make what could be regarded as a reasonable effort in comparison with other States, to help its own financial position.

In the proposals for adjustment in this Bill the main features are the following:—The fees for drivers' licences—at present 10s. for a general licence and 5s. to drive a motor cycle—will be doubled to £1 and 10s. respectively. In real value of money terms, and in proportion to the average man's income, this, of course, will still be less than pre-war. It is proposed to increase the registration of cars in all cases by less than 50 per cent. The increase on the smallest cars will be 37½ per cent and on the Australian-made Holden it will be nearly 45 per cent, *i.e.*, from £8 a year to £11 10s. a year. For commercial vehicles, on the other hand, which normally cause more wear, strain, and damage to the roads than do cars of equivalent power and weight, greater increases are proposed. The increase for the light commercial vehicle is 50 per cent and there is a rising scale of increases until for the heaviest of commercial vehicles the registration fee will be slightly more than doubled.

Mr. Stott—Will the principle of taxing motor cars on the power-weight basis be retained?

The Hon. T. PLAYFORD—Yes. In addition, it is proposed to eliminate entirely the present 10 per cent rebate which applies in respect of commercial vehicles of British origin. This concession was provided originally as a special Imperial preference to assist Great Britain. However, by reason of the establishment by branches of foreign undertakings for the manufacture and assembly of motor vehicles in British countries, this concession has lost its point. The appropriate British preference is provided adequately by the Commonwealth through tariffs, quotas and currency controls, and the concession in the registration fee will therefore be withdrawn. There are a few small fees which, because of the fall in the value of money, have become quite inadequate even to cover costs, and for these somewhat greater increases are proposed. The transfer fee of 2s. 6d. will be raised to 10s. and the fee for limited traders' plates from 10s. to £2. On the other hand, certain special charges will be left unchanged, or reduced. The registration and driving licence fees for invalid chairs will be eliminated, and such registration and licences provided without charge. Further provision is made so that the registration and driving licences at present paid by disabled ex-servicemen will not be increased. Apart from the classes of vehicles to which I have referred specifically, the increases generally proposed are 50 per cent—for example, for motor cycles, trailers, etc. It is proposed to retain the existing rebate of 50 per cent on vehicles outside local government areas and on Kangaroo Island, where there is available much more restricted use of first class highways. Also, it is proposed to retain the rebate on commercial vehicles used exclusively in primary production, as these normally make less use of public highways than other commercial vehicles.

The explanation of the clauses in their order is as follows: Clause 3 provides that the Bill will come into operation on January 1, 1954, with the exception of the provision relating to the registration of certain vehicles and mobile plant of the Renmark Irrigation Trust. This provision will come into operation as soon as the Bill receives His Excellency's assent. Clause 4 contains an amendment of the definition of "commercial motor vehicle." The only object of the amendment is to make the definition express more clearly the accepted interpretation. The expression "commercial motor vehicle" in the Road Traffic Act has always been interpreted as a vehicle suitable

wholly or mainly for the carriage of goods, whether such suitability arises from the form of the vehicle as originally manufactured or from alterations made subsequently, as when a car is converted into a buckboard. Since the amount of the registration fee will, in future, depend on whether a vehicle is a commercial motor vehicle or not, it is desirable that there should be no doubt about the definition, and it is proposed to make it clear that vehicles, whether constructed or adapted wholly or mainly for the carriage of goods, are commercial motor vehicles within the meaning of the Bill.

Clause 5 sets out the new registration fees which I have already explained. It also provides for registering without fee vehicles and mobile plant owned by the Renmark Irrigation Trust and used wholly or mainly for the construction or maintenance of irrigation and drainage channels and other works. The Government has considered a special request from the trust in connection with these vehicles and plant, and is of opinion that they should be registered without fee in the same way as road-making plant and vehicles. Clause 6 repeals the time-expired provision relating to the registration fees for vehicles registered before September 1, 1948. Clauses 7 and 8 provide for the abolition of the 10 per cent concession in registration fees for vehicles of British origin, as I have already explained. Clause 9 deals with the concessional rate for the registration of vehicles used by incapacitated ex-servicemen for their personal transport. Under the present law these vehicles are registered at half fees and in order to avoid any increase it is now proposed to register them at one-third of the new rates. Clauses 10, 11, 12, and 14 give effect to the proposed increases in the fees for the transfer of registration, for the issue of general and limited traders' plates, and for drivers' licences. In addition, clause 14 contains a provision that a licence to drive a motor-propelled invalid's chair will be granted without payment of any fee. Clause 13 repeals an expired provision relating to fees for traders' plates issued before September, 1948.

I do not believe there is any difference of opinion in the House on the point that if we are to have reasonable highways and avoid excessive repair costs on motor vehicles it is necessary that additional money be made available for roads. The whole problem is how to spread the additional charges most equitably. It is correct that commercial vehicles, particularly of one particular class, will be subject to a much heavier increase than the 37 per cent to 46 per cent which will apply to motor cars. Motorists accept the position that the money should be earmarked exclusively for road purposes. It is therefore logical to say that the person who does the most damage to the roads should pay the highest amount towards their upkeep. From conversations I have had with leading members of the Royal Automobile Association, which represents by far the larger number of motorists in the State, I agree with its view that all moneys collected from this source should be used for road purposes. We then logically arrive at the position that we adjust the rates according to the amount of damage done to the roads by the various types of vehicles. The only contribution heavy diesel transports make to the roads is the registration fee, whereas for every gallon of petrol he uses the ordinary motorist contributes 6d. a gallon if it is imported and 3½d. if it is locally produced, and this money is used on the roads, whereas the users of heavy diesel units which do by far the most damage—

Mr. Quirke—I doubt it. These vehicles generally have a greater wheel bearing surface and move at a slower speed.

The Hon. T. PLAYFORD—They make no contribution through the petrol tax. For the charges made on commercial vehicles the owners are entitled to a reduction in the income tax schedule. In these days of high prosperity there are very few commercial owners not making a profit, and they get a valuable taxation concession.

Mr. Lawn—Does not that also apply to primary producers?

The Hon. T. PLAYFORD—Yes.

Mr. Stott—And also to people who use their cars for business purposes?

The Hon. T. PLAYFORD—That is so, but most motor cars are used for private purposes.

Mr. Shannon—The road haulier can pass on the extra cost to his clients, whereas the private owner cannot.

The Hon. T. PLAYFORD—The best argument in support of this Bill is not the fact that the increased charge may be passed on, but that we shall be able to provide with the additional revenue a much better system of roads throughout the State. In many

instances motorists will be able to save on repair bills an amount much greater than their additional charges under the Bill. Last evening during the debate on the Estimates some members deplored the bad condition of outback roads over which buses conveying school children must pass, and the additional revenue will be used to improve such roads. The Government economist reports that to enable the Government to maintain a parity with the charges being levied in the eastern States it will be necessary in a full year to secure between £1,100,000 and £1,250,000 additional revenue. This Bill will barely suffice to do that, and it is expected that a full year's collections will yield not more than an additional £1,100,000.

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

ADJOURNMENT.

At 8.49 p.m. the House adjourned until Thursday, November 5, at 2 p.m.