# HOUSE OF ASSEMBLY.

Thursday, November 26, 1953.

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

## SUPREME COURT ACT AMENDMENT BILL.

His Excellency the Governor, by message, recommended to the House the appropriation of such amounts of the general revenue of the State as were required for the purposes mentioned in the Bill.

## ASSENTS TO ACTS.

His Excellency the Governor intimated by message his assent to the following Acts:—Savings Bank of South Australia Act Amendment, Building Contracts (Deposits), Public Service Act Amendment, and Fruit Fly Act Amendment.

## QUESTIONS.

### DIESEL LOCOMOTIVES.

Mr. FRANK WALSH—From press reports I understand that the Railways Department diesel locomotives have been out of action, possibly because of the unsatisfactory nature of the lubricating oils used. Will the Minister of Railways obtain a report from the Commissioner on the real cause of the diesel locomotives being out of action and on the type of oil used?

The Hon. M. McINTOSH—Following on several discussions with the Railways Commissioner, I can inform members of the position. When the diesel locomotives were first introduced they used a type of lubricant and fuel that seemed to do an excellent job, but the lubricant and fuel used latterly were different from those originally used. One line was a direct importation from America and seemed to suit the type of locomotives excellently, but it was later found that a combination of the two caused a gumming effect which resulted in trouble. There has been no substantial damage, but the gumming up has caused a retardation of movement. Today the Railways Commissioner informed me that he believes the Chief Mechanical Engineer has effectively solved the problem and that the lubricant now obtainable, together with the fuel used, will obviate any recurrence. After cleaning out, the diesel locomotives will go back into service at the rate of two a day.

### BRITISH EGG PULP MARKET.

Mr. DUNKS—Before World War II., and especially before the Korean War, China was a big exporter of egg pulp to the United Kingdom. The Korean War having ended, I believe there may possibly be a trade in this product established between Communist China and Britain. Can the Minister of Agriculture indicate the possibilities in that direction and say how it will affect Australian producers of egg pulp?

The Hon. Sir GEORGE JENKINS—As I have indicated before, the market for egg pulp in Britain is particularly good, which seems to indicate that Australian producers have nothing to fear from supplies from China. I referred this matter to the chairman of the Egg Board, who reports:—

In reply to the question of Mr. Dunks concerning the prospect for the sale of egg pulp now the Korean war is over and if China comes back into the market again, I have to advise that the board has not any information at present on the position of egg pulp in China. We believe that some small quantities of egg pulp have been sold by China to the United Kingdom recently, but have no confirmation of this. However, until June, 1954, there is a satisfactory contract with the British Ministry to take all surplus egg pulp from Australia. This contract was made in June, 1953, and if there had been any possibility of very heavy supplies of egg pulp from China, it is doubtful whether the Ministry would have made the present contract to take the whole of the Australian egg pulp surplus at a satisfactory price until June, 1954.

That is the latest information the Egg Board has on the matter and indicates that the British Ministry of Food is prepared to contract ahead with Australia for 12 months. The question of international trade and commerce comes into this matter, and I do not know how far the British Ministry of Food is prepared to contract with Communist China for supplies of this commodity.

### CLOTHING PRICES.

Mr. JENNINGS—Is it a fact that the Premier in his capacity as Prices Minister was recently obliged to write to certain clothing manufacturers threatening that, if the prices of their products were not reduced, he would be obliged to re-introduce price control over those goods, and that, as a result of this correspondence, certain clothing prices were reduced? Will the Premier consider the re-control of clothing prices so that they may be kept constant and intimidatory action of this kind rendered unnecessary?

The Hon. T. PLAYFORD—The hon. member's statement is not entirely correct. The Government, through the Prices Commissioner, wrote to a city firm asking why its products were retailing in South Australia at a price different from that in other States. Subsequently, the manager of the firm visited me and gave a completely satisfactory answer on behalf of his firm. The difference in the price was the result of a difference in the South Australian retail margin and not a difference in his charge. That matter was taken up with the retailers, and without any difficulty a satisfactory adjustment was made whereby the price was brought into line with that in the eastern States. I pointed out previously to members that when the Government decontrols any item it does not mean that a constant check is not made of the price changes which take place in connection with it. The Government does not have control for control's sake, but takes action if it finds there is a tendency to overcharge the public for lines in short supply or where there is no active competition.

HAWKER TO BRACHINA RAILWAY LINE.

Mr. RICHES—I thank the Premier for the reply handed to me regarding the closing of the railway line between Hawker and Brachina. From my reading of the legal opinion it appears that it is not necessary for any legislation to be introduced in this Parliament to enable the line to be closed. The Quorn people want to know whether action can be taken by South Australia, either by negotiation or by legislation, to see that the line is not closed, and to thoroughly explore the economics of the proposal that the line should be kept open. If it is not competent for the Commonwealth Government, under the north-south railway agreement, to run two lines, is there any reason why the State should not operate the service on the narrow gauge line? I understand that the agreement provides for the Commonwealth to operate the north-south line over the present route or an alternative route. Parliament agreed that the Commonwealth should have the right to operate on an alternative route. We are not satisfied that the last word has been said in regard to the threat to abandon the route, and if the Commonwealth is not prepared to run a service will the Premier confer with his officers to see if the State can run an alternative service?

The Hon. T. PLAYFORD—The Commonwealth proposes to continue to run the service between Quorn and Hawker to serve the requirements of the district. It proposes to cease operating the short connecting line from Hawker to Brachina, which is the difficult portion of the track which goes through the Flinders Ranges.

Mr. Riches—That means that Quorn would be cut off.

The Hon. T. PLAYFORD—It means that Quorn would not receive commodities from beyond Hawker, except through the connecting line from Port Augusta to Quorn. In point of distance there would not be much difference. It is hard to imagine that there would be freight offering between Hawker and Brachina which could possibly enable the State to keep the line open. Once a modern line is built running down the western side of the Flinders Ranges to Port Augusta the cost of the narrow gauge line through the mountainous Flinders Rangers would be prohibitive, and could not be in any way competitive. That was the finding of the Royal Commission, on which the decision to alter the route was made.

Mr. Riches—I am not talking about the line through the Pichi-Richi Pass.

The Hon. T. PLAYFORD—The line between Hawker and Brachina climbs through the Flinders Ranges, and passes out on to the other side at Hawker. It would be impossible for the State to operate a line which is cut off from an existing service.

Mr. Riches—No-one has suggested that.

The Hon. T. PLAYFORD—That would be the position. If the honourable member's suggestion were adopted the Commonwealth would operate the line from Quorn to Hawker and the State the line from Hawker to Brachina, which would be the extent of the State's operations.

Mr. Riches—I did not suggest that.

The Hon. T. PLAYFORD—I am sorry if I have misunderstood the honourable member's suggestion.

Mr. RICHES—I apologize for not making my question clearer. As I understand the situation, the Commonwealth Government had the right to conduct train services on the north-south railway under an agreement with this State, and it was subsequently given the right to conduct that service on an alternative route. The question has been put to me by people in my district whether the Commonwealth has complete control over both routes, and since the Commonwealth has announced that it does not propose to operate the existing route beyond Hawker, but to take up that portion of the line, I have been asked to place this suggestion before the Premier. It has been

said in the district that the Commonwealth proposes to put a second route right through to Leigh Creek so that the existing route can be operated until the time of the changeover. Has the State the power to resume the existing route, which will no longer be required by the Commonwealth, for the purpose of keeping it open for traffic right through to Adelaide? Coal is being brought down satisfactorily and economically over that line at present to the city. Instead of discarding all the rolling stock and dislocating the services to communities and townships on that line, will the Premier investigate the possibility of the State maintaining the service by negotiation with the Commonwealth? It is recognized that purely from the Commonwealth railway point of view the decision they have made is a good one, but someone has to have regard to the viewpoint of those who will be adversely affected, and that is not necessarily the primary function of the Commonwealth railways.

The Hon. T. PLAYFORD—The line the honourable member now refers to is that between Quorn and Leigh Creek on the existing route and he asks whether the South Australian Government has power to resume it. The answer is, No. The line belongs to the Commonwealth and the State has no power of acquisition, but the Commonwealth might be prepared to sell it back to the State. I think the present line could not possibly operate in competition with the new broad gauge line which will not have to climb mountains on two occasions, and that is why the present route is being altered. It is the direct result of the report of a Royal Commission. The honourable member says that the present line is bringing coal to Adelaide efficiently, but actually it does not do so. For a number of months we have been starved for Leigh Creek coal. To bring down a moderate load of 400 tons two engines and two crews are required, whereas the new line will bring down 2,000 tons with one engine.

## HOUSING TRUST PROGRAMME.

Mr. DUNNAGE—From remarks made by the Premier I understand that the purchase of prefabricated houses has ceased and that in December the last of them are likely to arrive in South Australia. I understood that the houses were purchased to take up some of the lag, but in my district the lag has not been taken up because people are still looking for houses. Can the Premier say whether the Housing Trust intends to continue to build the same number of houses as when the prefabricated houses were bought, or is it intended to reduce its building activities?

The Hon. T. PLAYFORD—The last 32 of the prefabricated houses purchased under contracts entered into in Great Britain are on the water and will arrive in South Australia some time next month. Some time will elapse before all the houses bought under the contracts will be erected and occupied. There is no suggestion that the programme of the Housing Trust will be reduced. Actually the contracts for prefabricated houses were entered into when it was impossible to get labour and materials, and when the housing programme in South Australia was curtailed by shortages, but to some extent they have been overcome. Although there may be still shortages of some materials, alternative materials are available, and as far as I know the Housing Trust will this year complete a larger programme of house building than it did last year. Next year's programme will depend on the money made available to the trust, but I believe its programme will be at least as impressive as this year.

## HOUSING TRUST RENT COLLECTOR.

Mr. McALEES—About two years ago the Housing Trust rent collector at Wallaroo met with a fatal accident, and his position was given to a man from Kadina, which is six miles from Wallaroo. The people of Wallaroo resented this action, deeming it unfair to those concerned in that town. The council took up the matter and wrote to the trust asking it to review the decision and appoint a collector in Wallaroo. Applications were called for the position when the previous collector died, and the position was given to a relative of his, despite applications from capable Wallaroo men. Will the Premier ascertain from the trust whether the position can now be given to someone in Wallaroo on the recommendation of the council there?

The Hon. T. PLAYFORD—I presume the trust would appoint a person whom it believed capable of adequately carrying out the duties and would continue to employ him while he did so. The fact that this man lives in one suburb of the honourable member's district rather than in another would not be a reason for disqualification.

Mr. McAlees—Kadina is six miles away.

The Hon. T. PLAYFORD—In the honourable member's district that is a comparatively small distance, and unless there is some more cogent reason for not employing this man I

feel I have no case to take up. Surely the fact that this man lives at Kadina does not mean that he is not eligible. He is still one of the honourable member's constituents and, as such, should receive the protection and assistance of the honourable member in the same way as if he lived in Wallaroo.

HEATHFIELD SECONDARY SCHOOL.

Mr. SHANNON—I have been approached by the Hills Public School Committees' Association to inquire how far the Education Department has progressed in its inquiry into the possibility of establishing a school for higher education for children in the hills districts around Mount Lofty. It was suggested that the Government owned 80 acres of land adjacent to the Heathfield recreation ground and that this could be used in conjunction with the school. At present children in this district are being transported to Mount Barker high school or Oakbank area school at considerable expense to the State. Public transport is available at the site suggested at Heathfield, on the Adelaide side to Blackwood by train and on the Bridgewater side from Ambleside, Verdun and Bridgewater to Heathfield. Obviously, those transport services would have to be augmented, but the mileage of transportation would be cut down considerably. These people want to know whether the department is serious in its inquiry into establishing a secondary school in this area and, if so, what stage have the investigations reached?

The Hon. M. McINTOSH—Obviously, in the absence of the Minister of Education through illness I would have difficulty in getting first-hand information on policy, but I will take up the matter with the Director of Education and at the earliest possible moment—I hope some day next week—bring down a reply.

LARGS BAY JETTY.

Mr. TAPPING—On October 27 I asked the Minister of Marine a question about repairs to the Largs Bay Jetty. Has he any further information to give?

The Hon. M. McINTOSH—Not at present, but the question having been again brought forward I will take it up. I was in that area last week and was glad to see that substantial reconstruction of much of the foreshore has taken place.

LAND DEVELOPMENT SCHEME UNITS.

Mr. QUIRKE—On November 5 I asked the Minister of Works whether he had any information about a land development scheme that was selling units instead of shares, and said that the Registrar of Companies had no control in this matter. Has the Minister received a report?

The Hon. M. McINTOSH—The Attorney-General advised me that he believed the units sold under this scheme were not shares within the meaning of the Companies Act and that therefore the sharehawking provisions did not apply thereto. The question of whether, under such circumstances, the Act should be amended is now receiving consideration.

TANUNDA RAILWAY BRIDGE.

Mr. TEUSNER—Has the Minister of Railways a reply to my recent question regarding the provision of a pedestrian bridge at the Tanunda railway station?

The Hon. M. McINTOSH—The sum of £3,000 has been placed on this year's Estimates for the work. Every effort will be made to push on with the work and there is reasonable expectation that it will be finished this financial year.

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REAL PROPERTY (COMMONWEALTH TITLES) ACT AMENDMENT BILL.

The Hon. T. PLAYFORD (Premier and Treasurer) obtained leave to introduce a Bill for an Act to amend the Real Property (Commonwealth Titles) Act, 1924.

PARLIAMENTARY SUPERANNUATION 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 increase the superannuation pensions payable to ex-members of Parliament and to provide for increased contributions to the Parliamentary Superannuation Fund. The existing rates of pension were fixed in 1948, and the Government is of opinion that in view of the substantial increases in prices, wages and salaries since that year the rates should now be reviewed. An investigation of the relevant data, including the rates of Parliamentary pensions in other States, discloses that an increase of £50 a year in the South Australian pension is now amply justified. It is therefore proposed to increase the basic pension—which is £250 a year for 12 years' service in Parliament—to £300 a year. The maximum rate of pension, namely, £370 a year for 18

years' service or more, will be correspondingly increased to £420. In order to give some special help to widow pensioners, the rate of their pensions is being increased from three-fifths to three-quarters of the pension to which their deceased husbands were entitled. In order to obtain a pension at the increased rates members will be called upon to pay increased contributions, the increases being from £58 10s. a year to £72. My attention has been drawn to the fact that the Bill contains the figure of £78, and in Committee I shall move to change that figure to £72. If any member, present or future, does not desire to subscribe for an increased pension, the Bill gives him the option to pay contributions at the old rate, in which case his pension also will be at the old rate. It is proposed to increase the contributions of members to the fund by a percentage approximately corresponding to that of the increased cost of the pensions, and accordingly the annual amount of contribution will be raised from £58 10s. to £72.

In addition to these alterations of pensions and contributions, the Bill contains a proposed alteration of the law relating to the reduction of pension when an ex-member holds some other office or pension under the Crown. The Act provides at present, among other things, that the rate of a pension is to be reduced by the rate of the salary or remuneration attached to any office of profit under the Crown held by the pensioner. Thus, if an ex-member in receipt of a pension of £370 a year, is appointed to a board carrying fees of £370 a year his pension would entirely cease. The Government is of opinion that it would be just to allow ex-members to hold part-time positions remunerated by relatively small salaries or fees with out reduction of their Parliamentary pensions. Clauses 6 of the Bill therefore provides that if a pensioner holds an office under the Crown for which he is remunerated out of money of the Crown at a rate not exceeding £500 a year the annual rate of his pension shall not be decreased. If, however, the remuneration of any position which a pensioner holds is more than £500 a year the amount of his pension will be reduced by the amount of the excess. The Bill will come into operation on the first day of the first month after it receives the Governor's assent and the increases in the rates of pension will apply both to existing and to future pensioners.

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

## DA COSTA SAMARITAN FUND (INCORPORATION OF TRUSTEES) 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 incorporate the trustees of the Da Costa Samaritan Fund. The Da Costa Samaritan Fund was established in 1898 under the will of Louisa Da Costa as a trust for the benefit of convalescent patients of the Royal Adelaide Hospital. The trust has considerable assets which amounted at the end of last year to some £75,000. Most of the assets consist of city properties, but the trust also holds Commonwealth stocks and shares in the Adelaide Steamship Company Ltd. The relief granted by the trust to convalescent patients of the Royal Adelaide Hospital has been in the nature of surgical appliances, spectacles and maintenance during periods of convalescence at convalescent and seaside homes. The trustees of the fund have asked the Government that the trust should be incorporated. Their main reason for so doing is that they wish to avoid the possibility of a heavy liability falling on individual trustees through the administration of the trusts. Incorporation will free them from the liability so far as any act done by the corporation is concerned. A further reason was that incorporation would facilitate the management of the trust, especially by enabling the trustees to hold land in their corporate name.

The Government has acceded to the request of the trustees subject to the condition that the accounts of the trust should be audited annually by an auditor licensed under the Companies Act and approved by the Government. Incorporation will mean in general that in the event of a breach of trust the only recourse would be against the incorporated trust, and the only funds available to meet the breach of trust would be the funds of the corporation. The Government feels that this would be an unsatisfactory state of affairs unless there was some method of watching over the administration of the trust, and accordingly has stipulated that the accounts of the trust should be audited in this way. Apart from the points I have mentioned the Bill makes no material alteration in the powers and obligations of the trustees.

The details of the Bill are as follows.—Clause 2 contains definitions of various terms. Clause 3 establishes a corporate body to be known as the Da Costa Samaritan Fund Trust.

Clause 4 appoints the present trustees of the trust as the first trustees of the incorporated trust and provides that there shall be not less than three trustees.

Clause 5 provides that in various circumstances the office of a trustee shall be vacant. It is to be noted that the Governor is given power by the section to remove a trustee from office. The Government believes that this provision will provide additional safeguards for the proper management of the affairs of the trust. Clause 6 provides for the filling of vacancies by surviving or continuing trustees. The approval of the Governor is required for any appointment of a new trustee, as under the original trust deed. It is to be noted that under clause 4 the approval of the Governor is required in the same way for the appointment of an additional trustee. Clause 6 gives the Governor power to appoint a trustee if a vacancy is not filled within three months. Clause 7 provides for a quorum of a majority of the trustees, for the making of decisions by a majority vote and for the postponement of a matter where there are only two trustees present at a meeting and they fail to agree. Clause 8 provides for the election of a chairman. Clause 9 provides for the convening of meetings of the trust. Clause 10 requires the trust to keep minutes of its meetings. Clause 11 deals with the procedure at meetings.

Clause 12 provides for the trustees to receive a remuneration of £60 per annum out of the trust property or such other sum as is allowed to them by the Supreme Court. Since July, 1950, the trustees have been entitled to £60 a year as remuneration pursuant to an order made by the Supreme Court, so that this Bill does not increase their remuneration. Clause 13 requires the trust to keep proper accounts. Clause 14 provides for the accounts of the trust to be audited by an auditor licensed under the Companies Act and approved by the Chief Secretary. Clause 15 prevents the validity of the proceedings of the trust from being impugned on various technical grounds. Clause 16 empowers the trust to appoint a secretary and any other employees required. Clause 17 gives the trust power to enter into contracts not under seal through a person acting on behalf of the trust. At law a corporation can only contract under seal. Clause 18 provides for vesting the property of the present trustees in the new corporation and clause 19 specifies that the income of the trust property is to be applied to the purpose mentioned in the clause, which is the same as is now binding on the trustees. Clause 20 deals with the banking of income and clause 21 gives the trust the same powers of management and letting of land as the trustees of the present trust have. Clause 22 empowers the trust to vary its investments and securities. In the exercise of this power it will, of course, be bound by the general rule governing trustee investments.

Clause 23 enables the trust to invest any income not immediately required for the purposes of the trust. This power is contained in the original trust deed. Clause 23 also enables such investments to be realized at any time and the proceeds spent as income. Clause 24 enables the trust to accept gifts. Clause 25 enables the trust or any trustee to apply to the Supreme Court for advice or directions. Clause 26 enables the trust to make rules dealing with the management of the trust and also (*inter alia*) regulating the summoning of meetings and the procedure at meetings. Rules made under this clause are made subject to the Acts Interpretation Act so that they will come into force, and be subject to disallowance by Parliament, in the same way as regulations made under an Act of Parliament.

Mr. TAPPING secured the adjournment of the debate.

## STAMP DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 25. Page 1657.)

Mr. O'HALLORAN (Leader of the Opposition)—As explained by the Treasurer, the Bill deals substantially with three aspects of stamp duties legislation. The first is to correct an error made by the Registrar in registering a company without its having paid the prescribed fee. The registration is to be validated by the Bill and that will be acceptable to members as reasonable. The second is to repeal the section which caused the difficulty. It says that a company must pay a licence fee before it is incorporated. That seems to pose the long-standing query, which has never been satisfactorily answered so far as I know: which came first—the hen or the egg? In this case it seems to be a question of which is first—the company or the registration. The easiest way to overcome the difficulty is to repeal the section, to which I offer no objection. The third is the proviso which is intended to enable persons to engage in hire purchase transactions as a sideline without having to meet *ad valorem* duty. At present a person

whose sole business is hire purchase is not subject to the charge, but where it is incidental to some other transaction *ad valorem* duty, which is based on value, must be paid. Though I am not keen on encouraging hire purchase transactions I accept the position that in our modern society they are essential to enable people to establish themselves in homes, businesses or other forms of activity. Without hire purchase finance considerable hardship would accrue to certain sections of the community. Provided hire purchase is based on just terms it is not objectionable. It seems that a proposal to enable a bank to enter the hire purchase field is worthy of consideration because banks are responsible organizations and will, I think, be at least as generous in their dealings with customers as other hire purchase institutions; but, because the business of hire purchase is not their principal business, under the present law the higher rate of duty would have to be paid on their transactions. The Bill provides that this shall not be so in the future and that they shall pay the same rate of stamp duty as registered and recognized hire purchase concerns.

The next point dealt with in the Bill is the amendment to exempt certain surrenders of leases to the Crown from stamp duty. I see no objection to that because the person is surrendering to the Crown something he received from the Crown. Obviously, it would be silly for the Crown to pay stamp duty to itself under those circumstances. The next exemption is that regarding the transfer of a lease in order to secure another form of tenure. I understand the practice is that stamp duty is paid by the purchaser in any event, and he would be getting something of at least the same value as the surrendered lease and suffer no hardship by having to pay stamp duty. The third exemption relates to land transactions involving the surrender by a lessor of his lease in order to acquire another lease. This may be the surrender of a miscellaneous lease in order to obtain a perpetual lease over the same land, but I question whether that type of transaction should be exempt from stamp duty. I do not think a man would surrender one lease for another unless he derived some benefit from it. If he benefits I see no reason why he should not pay stamp duty on the new lease.

The Hon. T. Playford—If he benefited the Land Board, in arranging the transfer, would make it necessary for him to pay an increased rent.

Mr. O'HALLORAN—Probably the Land Board would make a reassessment of the rent which would mean he would not benefit greatly from the new type of tenure. If there is any weakness there it is only a slight one and I see no reason for opposing the Bill.

Bill read a second time and taken through its remaining stages without amendment.

## HIGHWAYS ACT AMENDMENT BILL.

Introduced by the Hon. T. Playford and read a first time.

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

That this Bill be now read a second time.

The Bill is of considerable importance and I have placed it before members this afternoon to enable them to study it over the week-end. It proposes important changes in the policy of the Highways Act. The Highways Act set up a fund called the Highways Fund and it is provided that there is to be paid into this fund the net revenue derived from motor registration fees and driving licence fees collected under the Road Traffic Act. In addition, any loan moneys appropriated for road purposes are to be paid into the fund. Section 32 of the Highways Act provides that the moneys in the Highways Fund are to be used by the Commissioner of Highways for the various purposes set out in the Act. These purposes include the construction and maintenance of main roads, the payment of grants to municipal and district councils for various road purposes, and making of advances to councils, and similar objects. The Act gives to the Commissioner the power to decide as to the manner in which the moneys in the Highways Fund are to be expended and it is for the Commissioner, and only the Commissioner, to decide for what purposes authorized by the Act and to what extent, the fund is to be expended. The amount expended for road purposes and similar purposes is considerable and during the last financial year approximately £3,500,000 was expended in this manner. The proposals for increases in motor registration fees, now before Parliament will, if enacted, increase appreciably the amounts which will be paid into the Highways Fund.

As has been previously mentioned, the present scheme of the Highways Act is that revenue derived from the registration of motor vehicles and other revenue under the Road Traffic Act must be paid into the Highways Fund and the responsibility for the expenditure of the moneys

in the Highways Fund is vested in the Commissioner of Highways. Thus, unless the law is altered, whilst Parliament has enacted that certain revenue is to be earmarked for expenditure on roads and similar purposes, neither Parliament nor the Government have any direct control over the expenditure of the very large sums of public money which are involved. The Government considers that the existing policy of the Highways Act should be changed and that the Act should provide that, in effect, the Commissioner of Highways is to be accountable to the Minister. In his turn, the Minister is, by the nature of his office, responsible to Parliament for the carrying out of his duties and consequently the Government proposes that, by providing for a degree of Ministerial control over the expenditure of moneys from the Highways and over the exercise of other powers given under the Highways Act, the principle of Ministerial responsibility and the resultant accountability to Parliament, will be restored.

The Bill therefore provides that, in general, the approval of the Minister must be obtained to the exercise by the Commissioner of Highways of the powers vested in him under the Highways Act. The usual Act of Parliament provides that the powers conferred by the Act are to be exercised by the Minister to the administration of whom the Act is committed. In some cases, it is provided that the exercise of Ministerial power must be on the recommendation of some official or board. For example, in many cases the Crown Lands Act provides that the Land Board must make a recommendation before the Minister exercises a power given by the Act. It is not proposed to apply this method of Ministerial control to the Highways Act but, as before stated, the Act will still provide that, with one or two exceptions to be mentioned later, the power in question will continue to be exercised by the Commissioner of Highways but the approval of the Minister will be required to that exercise of power. The principal power given to the Commissioner under the Act relates to the expenditure of the moneys in the Highways Fund and what is proposed in this regard will be mentioned later. However, the Act also gives a number of ancillary but important powers to the Commissioner. For example, the Commissioner is given power to acquire land or materials either by agreement or compulsorily, to sell land and other property, and to realign the boundaries of main roads.

It is proposed by the Bill that, in the case of most of the sections of the Act conferring powers on the commissioner, the approval of the Minister must be obtained to an exercise of power by the commissioner. Clauses 2 to 13, 20 and 21 make amendments of this nature to various sections of the Act. An amendment of a slightly different nature is made by clause 15. Section 28 provides that the Commissioner is to make an annual report to the Governor which is then to be tabled in Parliament. Clause 15 requires this report to be made to the Minister. As is now the case, the clause requires the report to be presented to Parliament. Another alteration in procedure is proposed by paragraph (*d*) of clause 4. Subsection (2) of section 20 provides that the Public Supply and Tender Act is not to apply to any contract entered into by the commissioner for the sale, purchase or supply of road metal or similar materials where the consideration does not exceed £1,000. It is proposed to repeal this subsection and it will follow that these transactions will come within the purview of the Public Supply and Tender Act.

As regards the control of the expenditure of the Highways Fund, the effect of clause 16 is that the moneys in the fund are to be expended by the Commissioner, but subject to the approval of the Minister. This provision is subject to certain modifications set out in clause 18 which, among other things, provides that before the commencement of any financial year the Commissioner is to submit to the Minister a schedule of proposals for the construction or maintenance of roads and of other work proposed to be carried out during the financial year. From time to time, additions to or alterations of this schedule may be similarly submitted to the Minister by the Commissioner. The Minister may approve of the schedule, with such variations as he thinks proper, and that approval will be sufficient authority for the Commissioner to proceed with any of the works included in the schedule. It is also provided by clause 18 that the Minister may give general approval of expenditure by the Commissioner up to £5,000. If approval is so given, the Commisisoner may expend this amount for any purpose for which, under the Act, he is authorized to spend money and without obtaining any other approval by the Minister and without the Minister approving the specific purpose of expenditure. When any £5,000 so approved by the Minister has been expended, the Minister may give further approval for another £5,000 and so on. In such an Act the Commissioner must have power to deal with emergencies, such as a blockage on a road or damage to a bridge, and this measure provides him with a

sufficient amount for such purposes. An accident may occur when the Minister is not immediately available, and with this provision the Commissioner will have power to meet emergency conditions. The purpose of this provision is to secure that, at any given time, there will be moneys available for expenditure by the Commissioner for minor purposes which may be expended by him without specific reference to the Minister. At the same time, however, the Minister will have control of the total expenditure in this manner as every successive amount of £5,000 to be made available for expenditure by the Commissioner in this manner will need his general approval.

Section 35 of the Act provides, in effect, that the Commissioner shall, in every financial year, determine the amount which is to be allocated to councils for road purposes and the amount which, in turn, is to be expended by councils from their own funds. It is proposed by clause 17 that the power in question shall be exercised by the Minister on the recommendation of the Commissioner. Section 37 provides for the withholding of funds from councils when they fail to carry out their duties. It is proposed by clause 19 that, in this case also, the power under the section should be exercised by the Minister and not, as is now the case, by Commissioner.

Some further amendments are proposed by clause 18, which provides that where the Minister so directs the Commissioner is to invite public tenders for the carrying out of any work under the Act. This power can be exercised by the Minister in any case where it appears to him that it would be in the public interests to call tenders for any work. Another provision in clause 18 deals with the giving of Ministerial approval to acts of the Commissioner. As has been previously explained, the general effect of the Bill is that Ministerial approval will be needed to most acts performed by the Commissioner. It is provided by the clause that where thought fit by the Minister he may give a standing approval to the doing of any particular acts by the Commissioner. In instances it may be convenient for the Minister to give such a standing approval where the approval is required to the exercise of minor powers by the Commissioner. Thus, the general effect of the Bill is to provide for a general Ministerial control over operations under the Highways Act and this imports a consequent Ministerial responsibility to Parliament. At the same time, however, the Bill has been so framed as to enable the day by day things to be done without requiring specific Ministerial approval for the many relatively small matters which must arise in the administration of the Act. The Government is attempting to introduce a system of Ministerial control suitable to the functions exercised by this department. The proposed change is in no way a criticism of officers of the Highways Department, in which we have had excellent officers who have given loyal service, but when Parliament is responsible for collecting large amounts of taxation, it becomes its responsibility to take some active interest in the expenditure of the moneys so collected. The Bill is designed so as not to impede the Commissioner in his many duties and I believe it will be an improvement on the present system.

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

## MINING ACT AMENDMENT BILL.

In Committee.

(Continued from October 6. Page 897.)

Clause 4—"Basis of Royalties."

Consideration deferred.

Clauses 5 and 6 passed.

Clause 7—"Royalty from claims, licences, and leases on private land."

Mr. SHANNON—I move—

To delete "Subject to subsection (4) of this section" in line 1 of new section 69f.

If it is accepted I shall move other amendments. The object is to make the same percentage of royalty payable in connection with agreements signed before the passing of this Bill as will be payable in connection with agreements signed after its passing. I dealt with this matter during the second reading debate and I regret that I have not received a satisfactory explanation either from the Premier or the Mines Department, with which I have discussed the reason for increasing from 1 to 2½ per cent the percentage payment to owners of private land upon which a mining lease has been granted. If there is a valid reason, which I believe there should be, for the increase in the percentage rate of royalty, then we should know the substance of the change in our mining laws, but that has never been explained, either privately or publicly. I am concerned because of the establishment of the Nairne pyrites project. The basis on which the royalty to be paid to the owners of properties on which pyrites deposits exist is still an acute problem. As

far as I can gather from the terms of the agreement, it will ultimately be based on the price of sulphur won from the pyrites mined. Many factors may influence the price of sulphur, and the actual cost of winning the pyrites may be only a minor cost in the final figure. The suggested method by which the pyrites is to be transported from Nairne to the Birkenhead works for treatment has from time to time gone through a series of changes, and even now I am not sure what the eventual method will be. At one stage it was proposed that it should be put into a slurry sufficiently volatile to be piped to the nearest point on the railway line, but that was discarded and I believe the latest proposal is to haul it by road to the railhead. Another proposal was to construct a spur line and rail it direct from the mine itself. Those are all factors which may affect the sum which the owners of the property will receive by way of royalty. In introducing retrospective legislation I have been charged with being guilty of a heinous crime.

Mr. Lawn—Who said that?

Mr. SHANNON—Perhaps the honourable member did not say it, but many members on this side have said it. However, retrospective legislation is the least in the category of sins, for even this week the Treasurer introduced a Bill providing for retrospectivity in regard to certain privileges for members.

Mr. Christian—And do you support that?

Mr. SHANNON—The honourable member will learn my attitude on that at the appropriate time, but the retrospectivity in that regard has a bearing on the attitude of members towards retrospectivity in the matter of mining royalties.

Mr. Brookman—Do you believe in retrospective legislation?

Mr. SHANNON—Obviously I do under certain circumstances. The retrospectivity provided for earlier this week is not the first occasion on which legislation has been made retrospective, nor will it be the last, for there are circumstances under which the law should operate in retrospect. Certain circumstances have arisen with regard to the Mining Act. Firstly, the Director of Mines has recommended to the Government that the royalty payable to people on whose properties mining leases are to be granted shall be paid at the rate of 2½ per cent instead of 1 per cent, and secondly, the Government has accepted that recommendation. It must have considered that good reasons existed for it. The people on whose property the Nairne pyrites outcrop exists have not received even a penny by way of royalty even though a village and a mine have been established there. The three superphosphate companies and the Broken Hill Proprietary Company Limited, which are operating on Shepherd's property, need pay nothing until it has been determined how much the ore is worth when it is won. I remind members that the world price of sulphur has dropped by some £4 or £5 a ton in the last month or two, and no doubt the Premier is worried by that fact since he has guaranteed the success of the new venture and because sulphur will have to be produced at Birkenhead at a price which will enable it to compete with overseas and interstate sulphur.

It is alleged by some people opposing my amendments that they will aggravate the position by increasing the cost of the product manufactured from the ore so that it will not be able to compete favourably with overseas sulphur but, even if my amendments are carried, the royalties will not be much more than 1s. on every ton of sulphur, and after all sulphur is only one constituent in the manufacture of superphosphate. I understand that, because it operates as a co-operative company and is therefore exempt from income taxation, the Pivot Company of Geelong, can compete favourable in our South-Eastern districts with South Australian superphosphate manufacturers. All these factors are used as argument against my amendments with a view to hoodwinking those who have not thoroughly sifted the evidence. The expenditure of a few pounds which will result from my amendments cannot have any effect on the economic success of the Nairne pyrites mine. I remind members that the agreement was entered into only recently. Under the clause the royalty will be increased to 2½ per cent on claims, licences and leases which come into existence after the commencement of the Bill. If it is fair for all new agreements to be covered in this way it is fair for the half dozen already in existence to be covered, and the only one of any size is the one at Nairne. There are amendments to clause 4, consideration of which has been postponed, and they should have been dealt with before my amendments. Clause 4 contains the words "whether before or after the commencement of the Mining Act Amendment Act, 1953." That refers to retrospective action, which I seek in connection with clause 7.

The Hon. T. PLAYFORD—(Premier and Treasurer)—I oppose the amendment. Clause

7, by enactment of new section 69f of the principal Act, provides for the rate of royalty payable by persons mining on private lands to be increased from 1 per cent to 2½ per cent of the value of the minerals obtained. The new rate of royalty applies only to claims, licences and leases which come into existence after the commencement of the Bill. The object of the clause was to apply the same rate of royalty to mining on private land as has applied since 1946 to mining on Crown lands Mr. Shannon's amendments will apply the new rate of 2½ per cent to existing claims, licences and leases. There are at present in existence 21 claims and 5 leases. There are no licences. Three of the leases are held by Nairne Pyrites Ltd. The rights of a substantial number of people would therefore be affected by Mr. Shannon's amendments. It is generally accepted that on the making of an amendment of this kind it is not usual to alter existing rights. Unless I am wrongly informed Mr. Shannon's amendments go further than altering existing rights. They alter an agreement voluntarily entered into between two parties, and we must be careful before altering such an agreement. The honourable member has not put forward good argument in support of his amendments. At Nairne there is a substantial deposit of rather low-grade pyrites ore. It has been known to exist for many years but it has become an asset to the State only because the Government, through guarantees, provided a large sum to work it.

Mr. Shannon—The Government has not actually provided any money?

The Hon. T. PLAYFORD—Through guarantees. It provided £800,000 through the first guarantee. In addition, the Housing Trust has built a town, the Electricity Trust has supplied electricity, the Highways Commissioner has built roads, and the Engineering and Water Supply Department is installing a permanent water supply. The total sum provided by the Government would probably amount to over £1,500,000. The only complaint that the member for Onkaparinga made was that so far the persons concerned had not collected any royalties under the terms of the agreement, but that is understandable because mining operations have not yet commenced. When they do those people will collect large royalties, and until mining begins his amendment will not affect the position. My objection to the amendment is that the honourable member seeks to alter an agreement that has been entered into voluntarily between two parties and after one has expended large sums. It would be adversely affected by any alteration. It is not proper for Parliament to alter agreements without strong reasons.

Mr. BROOKMAN—I support the Premier's objection because the member for Onkaparinga is concerned with an existing lease which has been signed and completed. At this stage he wants to alter the whole basis of the lease by altering the royalty percentages. That is bad in principle. Retrospective legislation must be always treated with caution, but the alteration of an existing lease is a worse instance than usual of trying to legislate for hard cases. It is doubtful whether the owners of the land are being treated badly because they have had the opportunity to sell the land if they wished, but evidently they elected to keep it and collect royalties later.

Mr. Macgillivray—The amendment would apply not to one property but to all.

Mr. BROOKMAN—Yes, but the member for Onkaparinga had one instance in mind, and that is what he is trying to legislate for. If he wished to narrow it down he could name the people, but that would be carrying it to absurdity. I have not been given sufficient reasons for altering royalties from 1 to 2½ per cent. I should like an explanation, but that does not affect my opposition to the amendment.

Mr. SHANNON—That contracts are sacrosanct is something new to me. I have always understood that our common law provides an opportunity for a person who has entered into a contract to have it rescinded by the court if it is not just, and have proper terms substituted. Since 1946 people who have entered into mining leases to operate on Crown Lands have obtained 2½ per cent, but who is the owner of Crown lands? Poor old Jim Smith, who has owned a little freehold land between 1946 and 1953, has received only 1 per cent. If a case were brought before a court would it say that the people who entered into the agreement at Nairne had not been fairly treated in view of what was being offered to people who did not own land but only had a lease of Crown land and got 2½ per cent? The person who owned land freehold might, in justice, have been offered a little more by way of compensation, because he had gone to the trouble, and probably some expense, to make his property freehold. We got little information from the Premier about the necessity to increase royalties on privately owned land to bring them into line with Crown

land other than that this may rectify certain irregularities in past agreements. If that is so we should be told.

Mr. Macgillivray—What grounds have you for making that suggestion?

Mr. SHANNON—I am not at liberty to disclose the source from which that suggestion comes, but if it is wrong I shall apologize. However, the Premier has given ample evidence that tne 2½ per cent royalty applied long before the Nairne project was thought of. Nairne was not developed in 1946. In regard to breaking agreements, I remind members of the land boom when certain big companies cut up broad acres and got people to sign undertakings to pay certain sums for building blocks. Some were sea water, and others sandhills. However, those agreements did not hold any weight in court when tested. They were signed by willing parties who thought they were being fairly treated, and up to a point the same applies to the people concerned at Nairne.

Mr. Hawker—In view of the law could the two parties have entered into an agreement to pay more than 1 per cent royalty?

Mr. SHANNON—I do not know, but the Act sets out the basis of payment of royalty at 1 per cent. If those people can get more than that why worry to amend the law? Why not allow the parties to arrange whatever royalties they like if that is the honourable member's approach? However, it may not be possible to legally agree to more than 1 per cent; hence this amendment. I hope the committee will take a broad view of my appeal. Although I am speaking for one group of interested parties only I know there are others concerned, and their claims may be just as good. I thought the Premier would have said something about the effect on the cost of superphosphate. I took the fact that he did not refute what I said as some confirmation of my remarks.

Mr. HAWKER—In his reply to Mr. Shannon the Premier mentioned that this agreement between the landowners and the company operating the mine was entered into voluntarily and therefore we should not alter it. Can the Premier say whether it would have been possible for the two parties to make an arrangement for a royalty above 1 per cent?

The Hon. T. PLAYFORD—The answer I can give is only from hearsay because I am not a member of the company and have not been taken into the confidence of either party. It would have been feasible, if the parties desired, to agree upon a higher figure than that provided for in the Act. When a person stakes a claim on a private property he then becomes responsibile to the owner for certain payments. The law provides protection for the owner. In this instance, I understand, an agreement was reached. This State entered into an agreement with the Broken Hill Proprietry Co. Ltd., with regard to iron ore, a royalty on which was fixed in accordance with the value of money then existing. Neither the Government nor the Opposition has suggested that although that royalty is today out of touch with the value of the ore the agreement should be torn up.

Mr. Christian—It could be altered only by negotiation?

The Hon. T. PLAYFORD—Yes. Although an approach to the company for a new agreement could be made legally, it would be rather derogatory to the honour of this Parliament and I believe every member would consider it wrong, because, having entered into an agreement it is our duty to carry it out. That is the basis of my objections to the amendment. I have the highest respect for the persons whose property is involved. They have been lifelong friends, but that does not alter the fact that we cannot alter the terms on which the undertaking has been set up.

Amendment negatived; clause passed.

Remaining clauses (8 to 11) passed.

Clause 4—"Basis of royalties." (Consideration previously deferred.)

The Hon. T. PLAYFORD—I move—

After "lease" in line 1 of new section 23b (1) to insert "granted whether before or after the commencement of the Mining Act Amendment Act, 1953."

This amendment deals with the operation of the proposed new section 23b, which authorizes the deduction of certain costs of the treatment and transport of mined substances in the calculation of the amount on which royalties are payable. The amendment makes it clear that new section 23b applies to existing leases. As it stands, it almost certainly applies to existing leases, and it was always intended that it should. The amendment is inserted to remove doubts which have been raised in certain quarters. This is not retrospective legislation, although it sounds like it. It has been in operation and is still in operation, but the technical question has been raised whether it is precisely in accord with the arrangement already carried out. The Government believes that it is but as a query has

been raised it desires to make it clear that the original amendment sets out exactly what was meant. There is no alteration of the agreement. From time to time either the Auditor-General or some other authority has questioned whether the money should be collected in this way, or whether the words could be construed to mean something else.

Mr. SHANNON—The Premier may protest that it is not retrospective, but no-one knowing the King's English could believe that. Obviously it is retrospective. I have read the terms of the agreement and I am suggesting that ultimately this amendment can affect the actual value of pyrites. The very wording indicates to me that it will cover some of the factors mentioned in the agreement as to the various operations which will ultimately decide the value on which the royalty will be paid. I may be looking for a nigger in the woodpile, although I hope I am not, but I feel beyond a shadow of doubt that the amendment could vitally affect the payment to the owners of the Nairne property. They will have to wait until the various operations required to produce sulphur from pyrites won at Nairne are completed before they know what their royalty will be.

The Hon. T. PLAYFORD—This matter did not arise out of the question of the Nairne pyrites mine.

Mr. Shannon—But it may still have an effect upon it.

The Hon. T. PLAYFORD—I ask the honourable member to look at a later amendment that I propose, to insert new section 23d, dealing with a flat rate royalty. The present amendment relates to moneys payable to the Crown and will not directly affect the Nairne pyrites organization.

Amendment carried.

The Hon. T. PLAYFORD moved—

In new section 23c (1) to strike out "prescribed by this Act to be reserved under" and insert "payable by a lessee of."

Amendment carried.

The Hon. T. PLAYFORD moved—

In new section 23c (1), line 6, after "for" to insert "pursuant to this Act."

Amendment carried.

The Hon. T. PLAYFORD—I move—

After new section 23c to insert the following section—

23d. (1) Where a lease granted whether before or after the commencement of the Mining Act Amendment Act, 1953, reserves a sum other than rent pursuant to this Part, and the lessee uses in manufacture any substance mined on the land comprised in the lease, the Minister may agree with the lessee upon a sum calculated by reference to the weight of volume of the substance mined which shall be payable by the lessee in place of the sum reserved by the lease.

(2) Upon the making of any such agreement, the sum payable shall for the purposes of this Act, be deemed to be reserved by the lease.

(3) This section shall not authorize the Minister to agree upon any sum unless that sum is recommended by the Auditor-General.

This amendment deals with a problem raised by the Director of Mines in connection with the payment of royalties under certain leases granted prior to 1946. Prior to 1946, royalties were reserved in mining leases on the net profit obtained from the sale of substances mined. In one or two cases where the product of a mine was used by the lessee in some process of manufacture of his own, it proved almost impossible to assess the net profit obtained from the substance. This difficulty arose, for example, where a lessee used gypsum from his mine for the manufacture of plaster of paris or limestone for the manufacture of cement. In order to avoid such difficulties the Minister of Mines in some of these cases arranged with the lessees concerned that royalties should be paid at a flat rate per ton of the substance mined. There are still leases in force under which such an arrangement was made, and the question has recently been raised whether these arrangements are valid under the Mining Act. There seems little doubt that they are not valid, but in the opinion of the Government they should be made so. Provided that there are suitable safeguards the fixing of a royalty calculated by reference to the amount of a substance mined is clearly a simple and convenient basis for royalties in cases where it is impossible or difficult to assess profits or gross earnings. This amendment, by enactment of new section 23d, authorizes the Minister of Mines to make such arrangements provided that the rate of royalty agreed upon is recommended by the Auditor-General. It has been thought desirable to give this power both where the royalty under the lease is based on net profits and where, as in a lease granted since 1946, it is based on the gross amount realized from sales.

Amendment carried; clause as amended passed.

Title passed.

Clause 3—"Interpretation"—reconsidered.

The Hon. T. PLAYFORD—I move—

After "amended" to insert "(*a*)", and at the end of the clause to add the following paragraph:—

(*b*) by adding at the end thereof the following subsection (the preceding portion of section 4 being read as subsection (1) thereof):—

(2) For the purposes of this Act and of any lease granted under this Act whether before or after the commencement of the Mining Act Amendment Act, 1953, substances collected from any land shall be deemed to be obtained from that land.

Since 1946 royalties have been reserved in a mining lease of Crown lands on the gross amount realized from the sale of substances "obtained" from land comprised in the lease. The Director of Mines has informed the Government that legal doubts have arisen whether salt obtained by evaporation of sea-water brought on to land artificially can strictly be said to be "obtained from the land", and therefore whether royalties are payable on the collection of the salt. Royalties have in the past been paid on the collection of salt produced by this method. In fact, under the terms of a lease granted prior to 1946, there would be little doubt that royalties would be payable. This problem has only really arisen since the basis of assessment was altered in 1946. The Director of Mines recommends that it should be made clear that royalties are payable. These amendments, by alteration of section 4 of the principal Act, make provision for payment of royalties on substances collected, as well as obtained, from land comprised in a mining lease.

Imperial Chemical Industries, a large user of land for the purpose of gathering salt, has extensive leases, and it was a question of whether salt was obtained from the land or from the water.

Mr. RICHES—As the amount of royalties may mean the difference between the success or failure of a new salt industry at the northern end of Spencer's Gulf, can the Treasurer say what effect this amendment will have on the economics of such an industry?

The Hon. T. PLAYFORD—The royalties payable are extremely low—I think 2½ per cent on gross profits—and could under no circumstances affect the economics of the venture mentioned. In South Australia enormous quantities of salt can be produced from our large deposits and the profit depends mainly on the effectiveness of production methods. The Port Pirie chemical work will become large users of salt as soon as operations commence there, and we are examining the possibility of salt from nearby deposits being used at that plant.

Amendments carried; clause as amended passed.

Bill reported with amendments.

## PAYMENT OF MEMBERS OF PARLIAMENT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 25. Page 1664.)

Mr. HEASLIP (Rocky River)—Previously when members' salaries have been reviewed I have supported the increase, but I cannot do so on this occasion. Mr. Quirke said that we are the chosen people of the country to represent the people and because of that we should give a lead. The wages of workers have been pegged by the Arbitration Court, and they had no say in the matter. It was a good decision. Everybody will have to make a contribution by accepting reductions before we can overcome the present inflationary period.

Mr. Fred Walsh—Why don't the employers do something?

Mr. HEASLIP—They are making a contribution. We propose to increase our salaries.

Mr. McAlees—What is wrong with that?

Mr. HEASLIP—Apparently it is all right to increase our salaries and expect other people to accept reduced wages.

The Hon. M. McIntosh—The salaries of members have been pegged for some time, whereas other people have received cost of living adjustments. We now propose to take up the lag.

Mr. HEASLIP—On top of freezing the wages of workers we propose to increase our salaries, and it is wrong to do so. After hearing Mr. Jennings speak on the Road Traffic Act Amendment Bill dealing with fees I can not see him supporting this Bill.

Mr. Jennings—You just watch me.

Mr. HEASLIP—The honourable member said:—

It is disgraceful that, now wage pegging applies, any Government should be deliberately sponsoring a measure which will have the effect of increasing prices and thereby reducing the standard of living. It would be disgraceful for any Government to do that, but it is more so that this Government should take action of this kind after accepting the decision of the Federal Arbitration Court on the abolition of quarterly adjustments of wages, and has adamantly refused to alter the wages of its own employees or any workers under State

awards to enable them to receive compensation for price rises by way of quarterly wage adjustments.

I suggest that as a member of Parliament he will be committing the same disgraceful act as he said the Government had done if he supports the Bill. I do not intend to discuss the pros and cons of whether we have a full-time job, but Cabinet Ministers have one. All members of Parliament, except the six Ministers, are to get an increase in salary. They are not on a 40-hour or five-day week.

Mr. Stephens—What are you on?

Mr. HEASLIP—I am not on full-time work as a member, yet it is proposed to grant me an increase in salary. The Ministers are on the job every day, but they are to get no increase. For the two reasons given, I oppose the Bill.

Mr. CHRISTIAN (Eyre)—I do not wish to discuss the merits or demerits of the proposal to increase the salaries of members. I cannot support the Bill on two grounds. First, it is an embarrassment to me to be asked to fix my own salary. I agree with Mr. Dunks that ours is an honourable job. It is an honour to be a member of Parliament and we should be prepared to make sacrifices. It would have been better if an outside authority had recommended the increase, then it could have been accepted without embarrassment. The other ground is that the wages of workers in industry are pegged, and for that reason, amongst others, I regard this as an inopportune time to raise our salaries. I oppose the Bill.

Mr. DAVIS (Port Pirie)—I have no apologies to make for supporting the Bill. I am surprised at the reasons given by the members who oppose it. Mr. Christian said he could not support it because the wages of workers have been pegged. I did not hear that argument used when we fixed the wheat price, which had a big effect on workers whose wages had been pegged. Before my election to this place I held another job. I did not continue with it because I believed in the one man one job principle. Therefore it is necessary for me to live on the salary I receive as a member of Parliament, and it is insufficient. Some workers in my district get a larger salary than I do. There are many calls on a member for financial assistance, which workers in industry do not get. I cannot come here in a pair of overalls. I must dress decently and therefore it costs me more to live than a worker.

I was surprised to hear some members say they will not accept the increase. They should be willing to help all members maintain a decent standard of living, to which we are entitled as much as anyone. Mr. Christian said an outside tribunal should have fixed our salaries. Several years ago an outside body, presided over by the president of the Industrial Court, recommended an increase, and all we are getting is an adjustment following on cost of living increases, and we are entitled to them as much as anyone. Any member who claims that this is a part-time job is not carrying out his duties as a member of Parliament. I know very well that many members have no time to themselves because they are carrying out their duties properly. I have only three days a week to carry out my duties and I have not any spare time when the House is in session. On many occasions when I am in my district I have not sufficient time to eat my lunch because people are waiting to interview me, and often my phone rings or people are waiting to see me before I get out of bed. Members receive deputations all the year round, and country members, when in the city, have to interview heads of various departments on behalf of constituents. It costs more to travel around country districts than the city electorates, and some country members have very large districts. I am more fortunate than many because my district is compact, but some members represent towns 300 miles apart. Their job is a full-time one, and they have no opportunity of taking a part-time occupation. I have spoken on this Bill because I feel that if we cannot make out a case for ourselves we do not deserve any increase. I have much pleasure in supporting the measure.

Mr. JENKINS (Stirling)—Because I am a recent member, I am rather reluctant to speak on this matter; I am only doing so to let my constituents know that I am not casting a silent vote, and that I consider this measure is just and fair. It has been said that wages have been pegged, but this argument has no weight because members have not received a salary increase for 2½ years. It has also been said that people standing for Parliament should have sufficient of this world's goods to enable them to provide their services in an honorary capacity, but I do not agree with that on democratic principles, because there are men in our electorates whom the people wish to represent them irrespective of whether or not they have sufficient money to provide their services free.

Mr. TRAVERS (Torrens)—Although I had intended supporting this Bill without making any comments I feel that, in view of some of the comments, it is only fair that one should express one's views. I support the Bill for one reason, and one reason only—that I think it is just and right and fair that the amount mentioned in the Bill should be paid. It seems to me that we do ourselves no credit to embark upon discussions as to whether it is the right time to do anything if the doing of that thing is in itself right. We should look at the matter from the point of view of whether it is right or wrong, and if we come to the conclusion that it is right we should proceed to carry it into effect. It is only very recently that I came to this House, and I did so with my eyes wide open knowing precisely what the salary would be; I had no thought of suggesting that there should be an increase. However, since I have been here and have seen what is involved in the way of time, work and attention—let me hasten to say not by myself so much as by many other members—I have changed my mind as to what the payment to a Parliamentarian should be. I have had the opportunity of seeing the amount of time many members spend on their districts, and I have no doubt that many of my constituents hope that I will spend as much time on mine. However, I do not subscribe to the policy of one man one job, and those who sent me here knew that well. That shall continue to be the position unless the constituents say that my one job shall be the practise of my profession, and if and when they take that stand, I shall be happy to return to the one job of practising law. Until that time they shall have the benefit, if it be a benefit, of my services, and I shall continue in such time as is available to practise the profession of which I have been a member for many years.

I want to make it quite clear that the fact that I do not subscribe to the one man one job policy does not put me at arm's length from or out of sympathy with those who do; on the contrary, there are many people who are sent to this House by electors who take the genuine and *bona fide* view that that should be the policy of their representative, and I do not regard myself as having any right to dictate what their views and policy ought to be. When we consider the position that arises we are forced back to one of the first things I said in this House, something that I will probably repeat on future occasions, that things that are cheap are apt to be nasty, and the sooner and the more firmly we realize it and act upon it the better. It was said that this is not the right time. Let us analyze what that means. It seems to me to confess the justice of the case, to confess that there ought to be an increase, and to indicate that those who used that argument considered that there should be some rather cunning timing, presumably to delude the elector. Either this Bill is right or it is wrong; the time is irrelevant. It has also been said that some outside bodies should decide the matter. When I came to this House, I accepted all the responsibilities incidental to my position as a Parliamentarian, and one of them is to say what I think is right with regard to the laws of the country. I will not seek to take shelter behind any committee or attempt to pass the buck, nor will I attempt to delude electors into thinking that although I am against this increase unfortunately it is thrust upon me by some outside committee. It is our responsibility to decide what we ought to do. If we decide we should not increase our salaries let us forget about it, but if we decide it is proper to do so, let us forget about outside committees. It is the Government's job, and the Government properly and manfully faced the task. There is no occasion for choosing the right time. I have the utmost confidence in the fair-minded outlook of South Australians. If they know the facts they are prepared to be fair in their dealings with everyone, including their members of Parliament. If they think members have done something they should not have done, they will have their remedy at the next elections. Some members said it was embarrassing to be called upon to fix their own salaries. So it is, but it is not the only embarrassment that a member of Parliament suffers and not the only embarrassment that people who have to make decisions suffer. It is a greater embarrassment to have to say to someone else, "This is my job, but I am shirking it. I am going to ask you to do it for me." If it is our job, let us make up our minds whether it is right or wrong to increase our salaries.

It is a disgrace that the Ministerial salaries are as low as they are. Ministers have great responsibilities, and I repeat that things which are cheap are apt to be nasty. South Australian Ministers have a great record, but they may be tempted to do things they ought not to do, and to find Ministers receiving only £2,250 and numerous public servants under their direct control being paid more, is arrant nonsense. I came to this House with no thought of an increase in salary, but one lives and learns, and

if he keeps his eyes open and carries out his duties properly he will find how much time and money is involved in conscientiously applying himself to his job. I cannot do other than say that members' salaries should be increased. I cannot subscribe to any idea of cheese-paring. I have one complaint alone: that the increases are not big enough.

Bill read a second time and taken through its remaining stages without amendment.

## LANDLORD AND TENANT (CONTROL OF RENTS) ACT AMENDMENT BILL.

Consideration in Committee of Legislative Council's amendments:—

No. 1. Page 5 (clause 10)—Add the following paragraph:—

(*g*) By adding at the end thereof the following subsection:—

(9) If in any such proceedings where application is made on the ground that the premises (being premises part of which is used as a shop, storeroom, workshop or stable or for a similar purpose) are reasonably needed for occupation by the lessor in connection with his trade, profession, calling or occupation, proof is given to the satisfaction of the court—

(*a*) that the lessor has been the owner of the premises for at least two years before the giving of the notice to quit; and

(*b*) that at the time of the giving of the notice to quit the lessor was not the owner of any other premises which were reasonably available to him for occupation by him in connection with his trade, profession, calling or occupation; and

(*c*) that the lessor is a British subject or a body corporate incorporated or registered in accordance with any law of the State; and

(*d*) that the lessor has since the passing of the Landlord and Tenant (Control of Rents) Act Amendment Act, 1953, given notice to quit to the lessee for a period of not less than twelve months,

then the court shall not take into consideration any of the matters mentioned in subsection (1) of this section.

Nothing in this subsection shall limit any right of the lessor under any other provision of this Act.

No. 2. Page 7—After clause 17, insert new clause 17a as follows:—

17a. Amendment of s. 109a of principal Act —Provisions applicable to premises to which Act does not apply.—The following section is enacted and inserted in the principal Act after section 109 thereof:—

109a. (1) In this section "business premises' means any premises other than—

(*a*) any premises which pursuant to subsection (6) of section 5 are premises to which this Act applies;

(*b*) any premises of any kind such as is described in subsection (1) or subsection (2) of section 6;

(*c*) any premises leased for the purpose of residence.

(2) If any notice to quit in respect of any business premises is given by the lessor of the premises to the lessee thereof and if any proceedings are taken pursuant to any Act or law before the Supreme Court or any local court by the lessor or any person claiming through the lessor to recover possession from the lessee of the premises or for the ejectment of the lessee therefrom, and if on the hearing of the proceedings the court is satisfied that an order for the recovery of the possession of the premises from the lessee or, as the case may be, for the ejectment of the lessee therefrom should be made, then, unless on the hearing of the proceedings proof (the onus of which proof shall be on the lessor or, as the case may be, the person claiming through the lessor) is given to the court that the notice to quit was given by reason—

(*a*) that the lessee has failed to pay any rent due and payable under the lease; or

(*b*) that the lessee has committed any act such as is specified in paragraph (*b*), (*c*), or (*e*) of subsection (6) of section 42; or

(*c*) that the premises are reasonably needed for occupation by the lessor,

then notwithstanding any Act or law to the contrary, the order of the court shall specify that the order is to take effect on a date which is six months after the day upon which the order is made and the order shall take effect accordingly, and no proceedings for the execution of the order shall be competent to be taken before such date.

No. 3. Page 7, lines 14 and 15 (clause 18)—Leave out the word "any" in line 14 and the words "any" and "those" in line 15 and insert the word "the" in each case, in lieu thereof.

Amendment No. 1.

The Hon. T. PLAYFORD (Premier and Treasurer)—The Legislative Council made three amendments to the Bill and I shall take them separately because each involves a different principle. As to amendment No. 1, under the Bill, the only business premises to which the Act will, in future, apply are premises which consist of a dwelling plus a shop, workroom or the like. The amendment deals only with this class of premises and provides a method whereby the lessor may recover possession of his premises. The amendment provides, in effect, that a lessor of this type of premises may give notice to quit for 12 months to the lessee on the grounds that he reasonably needs the premises for occupation

in connection with his trade, profession, calling or occupation. If the lessor proves to the court that he has owned the premises for two years, and that at the time of giving notice to quit, he did not own, say, other premises which were reasonably available to him for his trade, profession, calling, or occupation, and that he is a British subject or, in the case of a lessor which is a company, is registered in this State, the court is not to take into account the hardship provisions and, in effect, the tenant must go. The order, when made by the court, will apply to the premises in respect of which the notice to quit is given. Thus, if the notice is given in respect of all the premises, the order would be for possession of all the premises including the dwelling-house portion. The notice may, however, be given in respect only of the business part of the premises in which case the order will relate only to that part. This amendment is very similar to existing provisions in section 49 (6) under which a lessor who has owned a house for five years (which is proposed to be two years under the Bill) and who gives notice to quit for 12 months on the grounds that he needs the house for his occupation as a dwelling, is entitled to an order for possession. The underlying principle of these provisions, both the existing section and that proposed by the amendment, is that the lessee gets notice for the long period of 12 months and is thus given a reasonable period to secure other accommodation. The amendment is in keeping with one already accepted by the Committee.

Amendment agreed to.

Amendment No. 2.

The Hon. T. PLAYFORD—Under the Bill it is proposed that all the provisions of the Act will cease to apply to premises which are not dwellinghouses. It has been suggested that this lifting of controls on business premises may result in some landlords giving notices to quit to tenants of premises such as shops and offices. As very many tenants now hold their premises on weekly or monthly tenancies, the result would be that their tenancies could be brought to an end after short notice and without giving them much time in which to attempt to secure other premises. The new clause inserted in the Bill by this amendment therefore provides, in effect, that where a court makes an order giving possession of business premises to the landlord, the order, except in the cases to be mentioned, is to come into effect after a lapse of six months, and thus the tenant will be given this period of grace in which to find other premises. It is provided, however, that the clause is not to apply in any case where proof is given to the court that the notice to quit was given because of the failure of the tenant to pay the rent or his failure to observe the conditions of his lease or because he has failed to take reasonable care of the premises or he has used the premises for an illegal purpose or because the premises are reasonably needed by the landlord for his own occupation. I move that the amendment be accepted.

Mr. PEARSON—Under the amendment I understand that business premises will remain within the ambit of the Act and the owner must apply to the court in the usual way for an order to obtain possession, and a prosecution could not be carried out for at least six months. There are cases where the present tenant, being well aware that this legislation would come to an end at an early date has in fact had considerable notice, and may or may not have made any attempt to find other premises. As such is obviously the case, there may not be so much justification for the amendment as was suggested by the Legislative Council. I want to be clear on the point. In any event the owner can, under the amendment, obtain possession of his premises in six months if he can satisfy the court of his reasonable need of the premises for his own use.

The Hon. T. Playford—He could secure the premises without any qualification.

Mr. PEARSON—In that case I am prepared to accept the amendment.

Mr. BROOKMAN—I take it that the amendment is inserted to provide that no landlord will eject a tenant from his business premises unless he is able to show that the lessee has committed an act contrary to the agreement, or that the landlord requires the premises more than the tenant. Is that correct?

The Hon. T. PLAYFORD—This clause arises following on a number of requests received by the Government immediately it was announced that controls would be removed from business premises. It was surprising the number of people who had advocated freedom from control who then became interested in control. One case concerned Mr. Pearson's district. A person had occupied premises for many years on a weekly tenancy and had worked up a very good business, which was taken up at a time when it was unattractive, but as soon as it was suggested that all controls should be removed from business premises the owner not only sought possession but also proposed to take over the business, including the goodwill. In the circumstances we

agreed that no-one should be able to claim the return of his premises until after six months' notice, unless the premises were not being looked after properly or the rent had not been paid, in which case he could claim the premises immediately. This is a reasonable proposal and affords a person who has been conducting a business in rented premises six months' grace in which to dispose of his stock or to obtain alternative premises before being ejected.

Mr. TRAVERS—If business premises are within the provisions of the Act the question of competing hardships arises but if outside the Act the question reverts to the contract of tenancy. It may be a monthly tenancy which can be terminated by the giving of one month's notice, then proceedings are taken in the court in the ordinary way for recovery of possession, and an order is immediately made but execution is stayed for six months. It is not a matter of giving six months' notice. If it is a weekly tenancy a week's notice is given, proceedings taken and the execution of the order stayed for six months. The same applies if it is a yearly tenancy. In some instances a period of almost 12 months might elapse before the order is executed. However, if the person occupying business premises is not paying rent, is conducting an illegal business, or not complying with the terms of tenancy those conditions do not apply.

Mr. BROOKMAN—I thank the Premier for his explanation which it is well to record. In the past few years the Government has been assailed for continuing landlord and tenant legislation but many people who complained bitterly about its continuance were as loud in their objections when it was proposed to delete business premises from the Act. The amendment provides that some form of control will be retained over business premises. This Act is designed to prevent undue hardship to persons requiring roofs over their heads but business premises do not come within that category. Mr. Travers explained that the amendment can prolong the control on business premises for as long as twelve months. When the Government ultimately decides to discontinue landlord and tenant regulation it will probably find it necessary to provide some period during which landlords and tenants can terminate their affairs. One might have expected the members in another place who inserted this amendment to be more opposed to landlord and tenant legislation than some members in this place so I shall not oppose it.

Amendment agreed to.

Amendment No. 3.

The Hon. T. PLAYFORD—This is purely a drafting amendment to clause 18 and does not affect the provisions of the Act and I suggest it be accepted.

Amendment agreed to.

## SUPREME COURT ACT AMENDMENT BILL.

Read a third time and passed.

## ADJOURNMENT.

At 5.42 p.m. the House adjourned until Tuesday, December 1, at 2 p.m.