

**HOUSE OF ASSEMBLY.**

Thursday, September 2, 1954.

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

**QUESTIONS.****MAINTENANCE OF BUS ROUTE ROADS.**

Mr. O'HALLORAN—This morning's *Advertiser* contains the following report:—

Contributions by the MTT toward road construction costs will be increased following the new policy of gradually replacing trams with buses. The Minister of Roads (Mr. Jude) yesterday described as "unrealistic" the present bus mileage contribution of 0.17d. a mile. It had been decided that the contribution should be raised to about 1d. a mile—about equal to the normal vehicle tax. This contribution would be made to the Highways Fund, which would then assume its share of the financial obligation entailed when roads became bus routes.

Can the Minister representing the Minister of Local Government say whether the share of the Tramways Trust in the cost of maintaining roads on which trams are superseded by buses has been worked out by the Highways Department, whether some portion of that cost will have to be borne by councils in whose districts those roads lie, and whether a similar charge towards the cost of the roads will be imposed on privately-owned bus proprietors? I would be pleased if the Minister would go into this matter with his colleague and let me have a reply when convenient.

The Hon. M. McINTOSH—The Minister of Local Government has consulted the councils and the trust on this matter, and I think the amount arrived at has been assessed as being a fair charge. I have no knowledge of the other points raised, but I will ascertain the facts and bring down a reply early next week.

**WESTERN AUSTRALIAN SLEEPERS.**

Mr. PEARSON—Will the Minister representing the Minister of Railways ascertain from his colleague the landed cost at Port Adelaide of jarrah and white gum railway sleepers from Western Australia?

The Hon. M. McINTOSH—Yes.

**HOUSING TRUST HOMES: WATER AND SEWER COSTS.**

Mr. FRANK WALSH—Has the Minister of Lands a reply to a question I asked on August 24 regarding the extra cost involved in water and sewerage connections for Housing Trust homes?

The Hon. C. S. HINCKS—The chairman of the Housing Trust advises as follows:—

If, during the balance of the present financial year, the South Australian Housing Trust builds houses at the same rate as it did during last financial year, a further 2,473 houses will be built, to which water and sewerage connections will be required. The increase in charges for sewerage and water connections for these houses over the previous charges for these services will be £37,843 7s. 6d.

**ELECTRICITY SERVICES FOR DEPARTMENTAL HOUSES.**

Mr. WHITE—Can the Minister of Lands, as Acting Leader of the House, say whether it is the Government's intention to have departmental houses in the river settlements in my district served by electricity power lines wired so that the Government employees living therein may enjoy the advantage of an electricity service? If so, when will the work be commenced?

The Hon. C. S. HINCKS—Already offers have been received for the work and it is expected that it will be commenced almost immediately. I think the honourable member need have no doubt about departmental houses being wired for electricity services.

**RAIL CONCESSION FARES FOR SCHOLARS.**

Mr. TAPPING—Has the Minister of Education a further reply to the question I asked on Tuesday last concerning concession fares on railways for school children travelling as groups or teams?

The Hon. B. PATTINSON—When I replied to the honourable member on Tuesday I overlooked the fact that I had received a similar request from the South Australian Public Schools Amateur Sports Association, which I had referred to the Minister of Railways as I have referred the honourable member's request. As a result the Railways Commissioner has listed for discussion at the conference of Railways Commissioners being held at Port Augusta this week the question of the restoration of those concessions and others. Apparently, when school children are travelling by train as members of sports teams, if under the age of 14 they are allowed to travel as children, but if 14 or over they are charged adult fares. As I surmised on Tuesday, some of these concessions were deleted during the war years and apparently have not been revived, but as a result of the representations made by the association and the honourable member I have taken it up

with the Minister of Railways and am hopeful that something will arise out of this conference. Of course, after the conference has come to some agreement it will be necessary for the Commissioners to report back to their respective Governments. However, I will let the honourable member have a reply in due course because it vitally concerns the Education Department.

#### DRAINAGE SCHEME FOR GLOSSOP.

Mr. MACGILLIVRAY—Has the Minister of Irrigation obtained the reply he promised following on my question on Tuesday last about a scheme for the drainage of Glossop?

The Hon. C. S. HINCKS—I have not got a report but hope to have one tomorrow. If the honourable member is about then I shall make it available to him.

#### ELECTRIC POWER FOR WALLAROO JETTY.

Mr. McALEES—For many months electric power has been promised for the Wallaroo jetty and I understood that contracts had been let for the work, but so far there has been no movement in the matter. The people connected with the waterfront are anxious to know when the power will be available. Has the Minister of Works any information on the matter?

The Hon. M. McINTOSH—Speaking entirely from memory, but I think accurately, I told the honourable member that contracts were let, and if I said so that would be correct because I would have spoken with the authority of the board. It is disappointing to me to know that the contractors have not started work and I will see that it is expedited.

#### EXAMINATION OF ACCUSED PERSONS.

Mr. TRAVERS—Has the Minister of Education obtained a reply to the question I asked on August 31 regarding the matter of the medical examination of persons in custody?

The Hon. B. PATTINSON—I referred the questions to the Attorney-General. The first was whether it was not the universal practice prior to the passing of the Police Offences Act last year that a prisoner could bespeak the presence of a doctor and be examined without a policeman being present, and the answer to that is "No." The next question was whether it is not a fact that a number of medical practitioners rightly object to the presence of a police officer during their professional

examination, and again the reply is "No." To the third question, whether steps will be taken to alter the law to enable a prisoner to have a private examination conducted by his own medical man if he so desires, the Attorney-General replies:—

Should I ever receive any reports meriting serious consideration that the present practice is in any way in danger of working hardship to accused persons an appropriate alteration of the law will be considered.

Mr. TRAVERS—Having regard to the rule of law which says that no statement by an accused person shall be received in evidence against him if it is made in any circumstances which render it unguarded or unfair, and to the further rule of law which says that the Crown prosecuting officer shall have no interest to serve except to do justice, will the Minister of Education ask the Attorney-General to give specific instructions to Crown officers that the police shall not be present when a medical examination is being conducted of a person in custody, and that the prosecutor shall not attempt to produce evidence of what occurs at that examination?

The Hon. B. PATTINSON—I shall be pleased to refer the request to the Attorney-General.

#### HOSPITAL CHARGES FOR PENSIONERS.

Mr. HUTCHENS—A pensioner living in my electorate was able to secure medical treatment at the Royal Adelaide Hospital without charge, but on moving to the country, where he was obliged to attend a subsidized hospital, was charged the full amount. Can the Minister in charge of the House say whether there is any method by which a pensioner can get medical treatment from a subsidized hospital at a reduced cost, and, if not, will he take up with the Government the possibility of making such treatment available?

The Hon. C. S. HINCKS—I shall take up the matter with my colleague and bring down a report.

#### PORT PIRIE WHARVES.

Mr. DAVIS—I believe the Public Works Committee is investigating proposed alterations and improvements to wharves at Port Pirie. Has the investigation advanced sufficiently for the Committee to submit a report?

The Hon. M. McINTOSH—Investigations have not yet reached that stage. As I informed the honourable member previously, the Harbors Board has carried out extensive repairs and improvements to the wharves at considerable

cost. The proposed work involves the preparation of extensive plans. They are progressing and as soon as they are ready they will be submitted as a total scheme to the Committee.

#### GOVERNMENT EMPLOYEES' RENTS.

Mr. O'HALLORAN—Has the Minister of Lands a reply to my question of July 27 concerning the proposed increase in rents of Government owned houses occupied by Government employees?

The Hon. C. S. HINCKS—I am not sure whether the investigations are completed, but I will convey the honourable member's request to the Premier.

#### LOCKLEYS PRIMARY SCHOOL.

Mr. FRED WALSH—About 10 or 11 years ago land was purchased at Rowells Road, Lockleys, for a primary school. The present school is considerably overcrowded and has become worse each year. I believe it was intended to establish an infant school at the present school and build another for primary students on the land referred to. Will the Minister of Education ascertain the intentions of his department respecting the new school?

The Hon. B. PATTINSON—I cannot give an accurate report at the moment, but shall ascertain the position and advise the honourable member on Tuesday.

#### LOXTON AREA DOMESTIC WATER SUPPLY.

Mr. STOTT—Has the Minister of Irrigation a reply to my question of August 25 relative to a pumping plant at Loxton North to provide a domestic water supply?

The Hon. C. S. HINCKS—I have received the following report from the Engineer-in-Chief:—

Mr. Stott made certain statements about the proposed storage tank and I would like to remove any misunderstandings in regard to this matter. While it has long been known that foundation conditions in parts of the Loxton area are unsatisfactory, construction of the irrigation works has thrown emphasis on this as subsidence has occurred in some of the irrigation channels despite every precaution, including consolidation by flooding. This subsidence is not confined to "made" ground—in fact the worst subsidence has occurred in the natural, undisturbed soil. Channels impose a relatively light load on the soil as compared with the load on a tank foundation and therefore great care is necessary in choosing a tank site. The first intention was to erect a much larger elevated tank adjacent to the present tank, but an examination raised strong doubts as to the ability of the soil to carry the heavy

loading. In view of these doubts an alternative site was selected, following a geological examination, and this site has been tested by means of trial borings, trial excavations and the driving of a test pile, all of this being exploratory work.

This work has shown that a tank could be built on this site, but that a special foundation would be necessary and that this would add £20,000 to the cost of the tank. In view of this, I have given instructions for the immediate examination of another alternative, after which a decision will be made. The investigations rendered necessary by the difficulties mentioned have unavoidably delayed the construction of the tank and therefore the provision of a supply of domestic water. However, the installation of an additional electrically driven pump (which is available) in one of the existing pump wells is being explored with a view to providing domestic water to the irrigation area during the coming summer without the new elevated tank and it is expected that this can be done. Last summer the present pumps were working 24 hours a day and it is therefore obvious that no further commitments can be entered into without additional pumping capacity. Nature designed the faulty foundation conditions and therefore no officer can be held responsible for these conditions. No loss has been involved. The work carried out to date has been investigational and all necessary to determine the most suitable type of structure to be provided and the most suitable location for it.

Mr. STOTT—The statement that the Minister read was full of whethers and ifs and buts. I ask him whether he is now of the opinion that it would have been far better in the first place to lay pipelines in these areas instead of open channels, thus obviating the additional expense of erecting a tank, besides ensuring that a domestic water supply would have been provided some considerable time ago?

The Hon. C. S. HINCKS—That raises a very old topic. I remind the honourable member that the committee which investigated that proposition at Loxton recommended the expenditure of a large sum of money for channels and a small amount for pipelines, and I think that the engineers carried out the work almost entirely as recommended.

#### TREATMENT OF HABITUAL OFFENDERS.

Mr. TRAVERS—A case was reported recently of a man having been convicted over 300 times on drunkenness charges. He was sent to gaol, to be detained there during the Governor's pleasure. As it is obvious that his case is as far removed from crime as that of a man suffering from typhoid fever and is obviously a question of disease, has the Government considered and, if not, will it consider providing some place of treatment rather than of punishment for people of that type? Three

different classes of case come readily to mind in this respect:—(1) the chronic alcoholic, (2) the kleptomaniac, and (3) certain types of sexual offenders.

The Hon. C. S. HINCKS—This would appear a most unfortunate case and one wonders what pleasure the man got out of being sentenced to gaol and being detained at the Governor's pleasure. I will take up the question in Cabinet and get a reply.

#### POLICE PENSIONS BILL.

The Hon. C. S. Hincks for 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 make further and better provision for police pensions, and for that purpose to repeal the Police Pensions Act, 1929-1951, and enact other provisions in lieu thereof.

Motion carried. Resolution agreed to in Committee and adopted by the House.

Bill introduced and read a first time.

#### PUBLIC SERVICE ACT AMENDMENT BILL.

Second reading.

The Hon. C. S. Hincks for the Hon. T. PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time. The Bill has two objects. The first is to remove a doubt which has arisen concerning the employment of persons over the retiring age on certain boards and committees the members of which are appointed by the Government. The second is to provide for the aggregation of broken periods of service for the purpose of calculating long service leave under the Public Service Act. The Bill also makes a drafting amendment to the principal Act. I will deal first with the problem of the retiring age of members of Government boards. Section 57 of the Public Service Act provides that every male person in the employment of the Government shall retire on attaining the age of 65 years, and every female on attaining the age of 60. In the past it has been assumed that this section did not apply to persons holding part-time appointments on boards and other statutory bodies such as, for example, the Harbors Board, the Botanic Gardens Board, or the Public Library Board. Persons have been permitted to remain members of such bodies, and have been appointed

as such members, after attaining the retiring age. Recently, however, the question whether a member of the Public Service Board could hold office after attaining the age of 65 was referred to the Crown Solicitor. The Crown Solicitor advised the Government that the member was in the employment of the Government within the meaning of section 57 and accordingly had to retire. The effect of the Crown Solicitor's opinion is that section 57 applies, with few exceptions, to all persons appointed to boards by the Governor. By virtue of the opinion, the Government is prevented from appointing or retaining persons over the retiring age as members of statutory bodies. This is an unsatisfactory position. There are a very large number of such bodies on which persons over the age of 65 can render valuable service in part-time offices. Indeed, it frequently happens that the most suitable person available for a position on such a board is over the age of 65; and there is no reason at all why the State should suddenly lose the services of a great many able men who are capably doing work of value, and which is suitable to their age and experience. The section dealing with these retirements was first enacted in 1903 and it may well be doubted whether it was ever intended to have the effect of making it impossible to employ men over 65 on statutory boards.

After a review of the position the Government has decided to ask Parliament to alter the law so as to ratify and authorize the employment of persons over 65 on most statutory boards. There are, however, some positions on boards which either as a matter of practice or law are held by members of the Public Service. For example, positions on the Public Service Board are invariably held by public servants and in view of the close association of this board with the day-to-day work of the Government and the Public Service it is considered desirable that positions on the board should be held by persons in the Public Service and not by retired men. Another case in point is the Children's Welfare and Public Relief Board. The chairman of this board is required by law to be a public servant and obviously he should be subject to the retiring age. There are other boards to which it may be found desirable to apply the retiring age. For this reason, it is provided in the Bill that the Governor may make proclamations for the purpose of specifying the offices on boards to which the retiring age will apply. Under this power it will be possible for the Government to consider the positions on the various boards

as vacancies occur and decide whether the holder of any particular position should be subject to the retiring age provisions. Clause 4 makes the necessary amendments to the principal Act to deal with this matter.

The next matter in the Bill is the mode of computing service for the purposes of long service leave. The Government has been approached recently by the United Trades and Labor Council of South Australia with a request that, where employees of the Government are retrenched and subsequently re-employed, their periods of service should be aggregated and counted as continuous service for the purpose of calculating long service leave. The Government has given careful consideration to this request, and has come to the conclusion that where a person has been dismissed through no fault of his own and is re-employed within a reasonable time it would be just to allow his service to be aggregated.

The Government has taken into account the fact that the principle of aggregation of broken periods of service has been recognized elsewhere in Australia, and is now permitted under Commonwealth, Victorian, Tasmanian and New South Wales legislation.

Clause 5 accordingly amends the principal Act to provide that where the service of an employee of the Government is terminated otherwise than by resignation, or dismissal for misconduct or mental or physical incapacity and the employee is re-employed within two years, his service shall be deemed to be continuous; but, of course, the period during which he was not working for the Government will not give any right to long service leave. The amendment will enable the service of persons who have been retrenched before the passing of this Bill to be aggregated, as well as the service of persons who may be retrenched in the future. The only other amendment made by the Bill is a minor one contained in clause 3. This deals with the hearing of appeals against orders of the Public Service Commissioner depriving officers of increments of salary for misconduct or other like reasons. At present every such appeal must be heard by the Public Service Board with the Commissioner sitting as a member thereof. It is proposed by clause 3 to provide that on the hearing of these appeals the Commissioner will not sit on the Board and his place will be taken by the member specially appointed to act as Chairman of the Board when appeals against

the Commissioner are being heard. This provision is in accordance with a general policy previously approved by Parliament.

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

## PLACES OF PUBLIC ENTERTAINMENT ACT AMENDMENT BILL.

### Second reading.

The Hon. C. S. Hincks for the Hon. T. PLAYFORD (Premier and Treasurer)—I move:—

That this Bill be now read a second time.

The Bill makes some amendments to the Act which have been found necessary as a result of recent developments in connection with places of public entertainment. Clauses 3, 4 and 8 make amendments relating to drive-in theatres. There is little doubt that theatres of this kind will be in operation before long. At present the provisions of the Act relating to the particulars to be stated in licences and the amount of licence fees are based on the assumption that a place of public entertainment is built to provide seating or other accommodation for a given number of persons. Drive-in theatres, however, are built for a given number of vehicles, irrespective of the number of persons in each vehicle. In order that the capacity of a drive-in theatre may be determined for the purpose of computing the licence fee the Bill provides that a licence for such a theatre must state the number of vehicles for which accommodation is provided, and that the fee will be based on the assumption that the space occupied by each vehicle is equivalent to capacity for three persons.

Clause 5 deals with the duty to supply to the Minister plans of places of public entertainment and of alterations and additions. At present it is not mandatory to deposit plans of places of public entertainment or places intended to be used for that purpose. The submission of plans is merely a precautionary measure which the proprietor may take or not take at his option. Plans are in many cases not submitted until building operations have been commenced or completed. Some serious inconvenience, however, has arisen and expense has been needlessly incurred owing to persons proceeding to build places of public entertainment before the plans have been approved by the Government. In order to ensure that the Act and regulations are observed with a minimum of trouble it is highly desirable, as a general rule, that plans of buildings or premises intended to be used

as places of public entertainment should be submitted to the inspector before building operations commence. It is proposed, therefore, by clause 5 to make this procedure compulsory unless the Minister grants an exemption in any specific case.

Clause 6 deals with the restriction on Sunday entertainments. For many years there has been in the Act a provision which prohibits the use of a licensed place of public entertainment for any entertainment held on a Sunday, unless the consent of the Chief Secretary has been obtained. This provision, which is contained in section 20, has always been regarded as applying to both public and private entertainments held in premises licensed under the Act. It is obvious that if it did not apply to private as well as public entertainments the section would be of little value. Until recently the Government's legal advice was to the effect that section 20, which uses the word "entertainment" without any qualification, applied to both public and private entertainments. But a recent opinion raises some doubt on the question whether the section applies to private entertainments. It is most necessary that there should be no doubt about this matter and that the interpretation and practice which have always been followed in the past should continue to be followed. It is proposed, therefore, to insert "(whether public or private)" after the word "entertainment" in section 20 so that there will be no possibility of misunderstanding the intention of the section.

Clause 7 deals with what are commonly called cabarets—that is, restaurants where facilities for dancing are available, or where other entertainments are provided for customers taking meals or refreshments. In recent years there has been an increase in the number of these establishments in Adelaide. The Government is informed that, on the whole, they are satisfactorily managed. But the question has arisen whether, because of the entertainment which they supply, they are not subject to the provisions of the Places of Public Entertainment Act. Although the Act and regulations were not designed to deal with cabarets, it is clear that as a matter of strict law a cabaret does fall within the definition of a "place of public entertainment" in the Act. The inspector who administers the Act is of opinion that while it is not necessary to apply all the provisions of the Act and regulations to cabarets, there should be a modified form of control over these premises in order to ensure that adequate provision is made for the safety

and convenience of the customers therein. The Bill carries this principle into effect. Clause 7 provides for the registration of cabarets by the Minister. Registration will not be granted unless the premises are approved by the Minister and are furnished with equipment for the prevention and extinguishing of fires, and unless such other measures as the Minister requires have been taken to ensure the safety, health, and convenience of persons in the premises.

When a cabaret is registered it will not be subject to the provisions of the principal Act and regulations respecting the licensing and general regulations of places of public entertainment. It will, however, be subject to section 25 of the Act which contains provisions for ensuring proper and decorous behaviour in places of public entertainment and preventing breaches of the peace. Registration will be liable to be cancelled if the premises do not adequately provide for the safety, health and convenience of patrons. Clause 8 deals with the mode of computing the licence fee for drive-in theatres, which I have already explained.

Mr. HUTCHENS secured the adjournment of the debate.

#### FOOD AND DRUGS ACT AMENDMENT BILL.

Second reading.

The Hon. C. S. Hincks for the Hon. T. PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time. It deals with therapeutic substances and poisons. The term "therapeutic substance" is used now-a-days in a somewhat wider sense than the old word "drug." In the Act "drug" includes (among other things) all substances used in the composition or preparation of medicine. It does not, however, extend to all the various preparations now used by medical men for the prevention, diagnosis, cure or alleviation of disease, and the expression "therapeutic substance" has come into use to express this wider range of substances. The great increase in the number of these substances and their increasing use under the Commonwealth pharmaceutical benefits scheme are reasons why this Bill is required. Though introduced mainly to regulate the manufacture and sale of therapeutic substances the Bill also provides for regulating the manufacture and sale of poisons which in the public interest

need to be controlled in much the same way, and by the same authorities, as therapeutic substances.

The events which have led to the preparation of the Bill are as follow. In December, 1951, the Commonwealth asked that an inter-State conference be held to promote uniform legislation for the control of therapeutic substances. The Prime Minister pointed out that as a result of the free medicine scheme the Commonwealth was the largest purchaser of these products in Australia, and wished to ensure that they should be of a uniform high quality. The conference recommended that State legislation be passed to provide for the control of the manufacture of therapeutic substances in each State and that the Commonwealth should pass an Act, to ensure, as far as Commonwealth powers permitted standards of purity for therapeutic substances. Last year the Commonwealth passed the Therapeutic Substances Act, 1953, providing that therapeutic substances imported, or supplied as pharmaceutical benefits, shall be of prescribed standards and shall be properly labelled or marked. Since the passing of that Act the Central Board of Health has considered what legislation by the State is necessary to secure uniformity of standards for therapeutic substances and this Bill is based upon the Board's recommendations.

Clauses 3 and 4 contain provisions for the purpose of extending the application of the Food and Drugs Act to therapeutic substances. The existing definition of "drug" in the principal Act is struck out and a new and wider definition is inserted which will cover all the new products devised for the prevention, diagnosis, alleviation and cure of disease or for inhibiting or modifying any physiological process in man or animals. Clause 4 provides that any drug may be declared by proclamation to be a controlled therapeutic substance and provides that any such proclamation may be varied or revoked. The effect of declaring a therapeutic substance is set out in clauses 5 and 6.

Clause 5 provides that the regulations relating to controlled therapeutic substances and poisons shall be administered by the Central Board of Health alone. At present such regulations can be administered by both the board and the local health authorities, although in practice the poisons regulations are administered by the board alone. The proposed therapeutic substances regulations will be highly technical and will require uniformity of administration throughout the State. A qualified medical and scientific staff

will be required and it will not be possible for the local authorities to provide such a staff. For this reason the administration will have to be entrusted to the Central Board alone.

Clause 6 enables the Governor on the advice of the advisory committee appointed under the Act to make regulations with respect to the regulation, restriction and conditions of the manufacture, sale, disposal, purchase, transport, storage, ownership, and possession of poisons and therapeutic substances. There is in the principal Act at present a limited power to regulate the sale, ownership and possession of poisons; but this power does not give sufficient control over the manufacture of poisons and gives no control over the manufacture of therapeutic substances. These deficiencies will be remedied by clause 6, which will enable the State to play its part in introducing the proposed uniform code of standards for the whole of Australia.

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

#### MARKETING OF EGGS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 18. Page 422.)

Mr. LAWN (Adelaide)—Like all members on this side I support the Bill because I believe in the orderly marketing of production—in organized production and distribution. Some people call that socialism and some would claim that the Act which is being amended is of a socialistic character. I was intrigued to find it being preserved on our Statute Book by a Liberal Party Government so I had a look at its history and found it most interesting. The first Bill was introduced in 1941 during possibly the greatest crisis that has ever faced this country. Private enterprise had failed and the Minister of Agriculture, the Hon. A. P. Blesing, introducing the measure in the Legislative Council, gave seven reasons for it. Summarizing them, he said they were:—

1. The poultry industry was one of great importance to South Australia and was valued at approximately £1,000,000 annually.
2. South Australia had no legislation of any description for the marketing of eggs.
3. The altered marketing conditions brought about by the war had completely changed established methods in the poultry industry.

4. Evidence had been taken from the South Australian War-time Egg Marketing Committee and all producers' organizations and it was the unanimous opinion of all interests mentioned that some form of legislation was necessary.
5. The present system gave no incentive to the producers to improve the quality of eggs.
6. Consumers have little if any guarantee of the quality of eggs purchased, which in many cases were of very doubtful quality.
7. The South Australian Poultry industry was severely handicapped in marketing eggs in other States where egg marketing boards were in operation.

That sounds strange coming from people who claim to be anti-Socialists. The Minister gave as one of his reasons the fact that the previous system, which had been left totally to private enterprise, provided no incentive for an improvement in the quality of eggs. I have often heard Government members refer to "incentive", and apparently the Liberal Party feels that legislation of this type, which has been part of Labor's policy ever since I have been a member of the Party, provides the only way to get the necessary incentive. The Minister also pointed out that many eggs sold to consumers were of doubtful quality because of no control and private enterprise dealing with the matter. Possibly he was speaking in general terms. He said also that South Australia, where there was no orderly marketing of eggs, was severely handicapped in comparison with other States where there was such marketing. That shows that in States where there are Labor Governments the producers are in a better position than producers here. The legislation was first introduced in 1941 for the duration of the war and six months thereafter, but the producers, consumers and retailers, and even the Liberal Party, found it to be so successful that it was extended for a further four years. When introducing the Bill in 1945 the Hon. G. F. Jenkins, the then Minister of Agriculture, was asked by Mr. A. V. Thompson whether it meant permanent control. The Minister said "Yes, until Parliament decides otherwise." Then Mr. Thompson said, "I thought the producers did not want permanent control" and the Minister replied, "Producers generally are a sensible body of people and are just as human as other people." In effect the Minister said that the producers had found from practical experience that the policy enunciated

by the Labor Party was beneficial to them and they wanted it to be made permanent.

Mr. Teusner—Does that apply to the whole of Labor policy?

Mr. LAWN—I guarantee that where the policy has been tried the people have found it so advantageous that they do not want to lose it.

Mr. Pearson—What about New South Wales?

Mr. LAWN—In that State and in Queensland, where there has been such legislation, there is no chance of changing the Governments, which have not been elected under a gerrymander. Members opposite know that they are on the Treasury benches because of a gerrymander. In other States Labor Governments are in office still because of legislation they have introduced, and in Western Australia the Labor Government is in power because of legislation passed by the Liberal Party, and I have in mind particularly the prices legislation. In 1945 the Minister of Agriculture continued:—

When the legislation was before the House previously, many people questioned the wisdom of agreeing to it. Great exception was taken, not only by some producers but also by storekeepers, particularly in the metropolitan area. Objection was also raised by consumers of eggs who purchased from storekeepers in the metropolitan area, because they were of opinion that all the difficulties which arose, including shortages and the fact that there was a considerable demand from the fighting services for dried and other forms of egg, would mean that some of them would have to go a little short.

Later the Minister said that the operations of the South Australian Egg Board had been financially successful. Many opponents of Socialism say that socialistic schemes never pay, but they always point to schemes which must be undertaken and which render a service, for instance, railways, and never to payable propositions such as electricity and harbours. There is no doubt from the reading of the *Hansard* report that the operations of the board were financially successful from the State point of view, and also for the producers, and it gave price stability and improved quality to the consumers. The Minister continued:—

The general ideals of the board are now apparently quite satisfactory to the producers and to the storekeeper agents throughout the whole of South Australia who have now realized the advantage of board control, as the quantity of eggs produced has greatly increased and eggs have been marketed in the country areas through storekeepers. The Retail Storekeepers' Association, which is



represented on the board, is now a sound supporter of board control. Its margins for retail have been definitely fixed and the competition in price to get supplies has been eliminated.

Mr. Stott interposed, "They opposed the Bill when it was introduced," to which the Minister replied, "A great number did." Consumers are not satisfied with present prices, which should be much lower. There are seasonal fluctuations in prices, but not to any great extent. Eggs are not in short supply. Under this legislation their quality has improved and exports are increasing. On the other hand, producers have stability in prices, and no troubles as to sales. They even know years ahead what the prices will be.

Mr. Heaslip—Are you sure of that? Where is the guarantee?

Mr. LAWN—When I said years ahead I was speaking of the past few years since the Act has been in operation.

Mr. Macgillivray—There has been a big drop in exports in the last few months.

Mr. LAWN—I did not have in mind exports, but the home market. Exports have increased since the introduction of this legislation. Before September 30, 1949, had arrived, when the Act was to have expired, the Government and producers desired that it should be extended and it was extended until September 30, 1954. On that occasion the Minister in charge of the Bill in the Legislative Council said:—

There was a general demand for a continuance of the present marketing scheme, which is now firmly established, and the Government has decided to ask Parliament to extend it for a further five years.

It is obvious that the Act has given stability in home market prices and to the industry. Many people are opposed to controls because they say they involve red tape, licences and licence fees, but under this legislation no registration is necessary and there are no licence fees. If a person has fewer than 20 laying hens he can sell his eggs anywhere, and if more than that number he has to sell through the board. However, without any obligation to the board, he can use the eggs in his own household. I am sure that those sections of the industry engaged in pulping eggs and the production of table birds would welcome similar legislation to cover their operations. The policy of the Australian Labor Party is organized production, distribution and marketing, and in introducing this legislation the Government is paying a very high compliment to my Party.

Mr. HAWKER (Burra)—I rise with a certain amount of diffidence after hearing the eloquent speech of Mr. Lawn, knowing that he is a big egg producer. As far as I can see the Egg Board is following a policy similar to that of other boards. It is founded on grounds which, if not altogether uneconomic, are certainly unstable. A board is not sensitive to the economic changes as quickly as when a product is subject to free marketing. Consequently, we get to the position where a board is handling goods which have either become too expensive for the public to buy, or they are not wanted.

Mr. Frank Walsh—Does that apply to the Barley Board?

Mr. HAWKER—It applies to the Wheat Board, but it might be a little early to make such a statement about the Barley Board. The stage is finally reached where there are only two alternatives: either to subsidize the producers who have put their money and energy into this industry under the protection of the Egg Board, or to sacrifice them. In his second reading speech the Minister said there was some difficulty ahead on account of the changed economic position of our export trade and hoped that some assistance would come from the Federal Government for this industry. Eggs are being produced at a cost higher than their price on the world market. The Minister also said that for the 1954-55 export season the board was faced with the difficulty of competitive prices and free marketing. That indicates that the economics of the industry are not sound. However, I see no alternative but to continue this legislation for the time. I doubt whether it is wise to extend the Act for as long as three years because we shall be faced with competitive prices and free marketing. It may be wise to review it again in another year, when we shall have had some experience of free marketing. I understand that the egg producer is fairly satisfied with the operation of the Egg Board, except for one matter: the man who produces only a few eggs—not enough to fill a case or half case—has to leave them with the local store and they are sent down later in bulk.

The Hon. Sir George Jenkins—He doesn't have to do that unless he has more than 20 laying hens.

Mr. HAWKER—I am speaking of the man who has 21 laying hens. It may be that only six of those hens were laying. I am not sure whether it is only laying hens that he has to register; it may be only potential laying hens.

However, my point is that these odd eggs are sent down with others—good, bad and indifferent. Therefore, that man only gets an average price for his eggs. Many storekeepers find difficulty in keeping the accounts of these small egg producers with the result that mistakes are made and some producers blame the Egg Board. I understand that the board is not now selling eggs to Britain at a fixed price. They have to be sold on consignment, and the board does not know what it will get for them until they are sold in England. This may cause even greater difficulty to the small producer who brings in only a few eggs and who cannot get the full market price when they arrive in Adelaide. The wheat farmer brings his wheat in once in a season and it is easy for the Wheat Board to manage the pool, but I can see much difficulty with small egg producers taking in a few eggs at a time if the board can only sell them on consignment. I do not think that free enterprise and competitive selling should produce difficulties. I am interested in the wool industry myself which, as soon as the war was over, abandoned Government buying and got back to the auction system. I think the wool industry was wise in doing that. I support the measure, but I should like the Government to carefully consider my comments.

Mr. DUNKS (Mitcham)—This legislation was originally introduced in 1941. I believe there was a great need for it then, for there was great difficulty in shipping fresh eggs and egg pulp to other parts of the world, particularly to Britain. We were told in 1941 that the legislation was required by the Commonwealth Government, particularly for a marketing scheme, so as to dispose of eggs produced in this country. It was said that we had to have an egg drying plant in South Australia. If members will read the Minister's second reading speech and the debate on the Bill they will find that Vestey Bros. had egg drying plants in China. They made an offer to the Commonwealth, and plants were erected in New South Wales and Victoria, and I think one in South Australia. We were told that if South Australia did not come into line with the Commonwealth and pass that legislation we would be the losers. The egg drying plant was established at Mile End, and I am interested to know what became of it because it is still shown on the balance sheet of the South Australian Egg Board. According to the Auditor-General's report it is shown as an asset, "Egg drying plant, less depreciation, £5,811." I believe that the plant worked only

for a brief period, and I do not know whether it is still owned by the board or whether anyone is paying rent for the use of that property. I know it is not being used now for drying eggs, for dried eggs were an absolute failure. Anyone who used them for omelettes or cakes knows what a great disappointment they were. As soon as eggs were available in their true form people reverted to their use and dried eggs went by the board.

This is another example of socialistic legislation. That was admitted by Mr. Lawn this afternoon. What staggers me is that we go to an election as a Liberal and Country League, fight the Labor Party, win the election and return to Government as a Liberal and Country League, introduce legislation as such and immediately enter into a coalition with the Labor Party to enact socialistic legislation. One could have been pardoned for agreeing to this legislation when it was first introduced, but the more I see of boards, quotas and subsidies the more I am satisfied that we are drifting to a stage when this country will be ruled by organizations working in the interests of one section of the community. As I mentioned recently, it is extraordinary that with reference to price fixation we permit the primary producer to go free, but as soon as his produce comes to the metropolitan area for consumption it is subject to price control. It is equally extraordinary that the Labor Party, whose constituents represent a great number of consumers, falls for this type of legislation which must eventually result in increasing the price of goods. Last year we exported about 50 per cent of our egg production. The Premier, and persons representing primary producers, have warned us that so far as primary production, with the exception of wool, is concerned, we are in for trouble. The British Ministry of Food which made these conditions possible, to the advantage of Australia, was prepared to enter into a contract for a number of years to take all the eggs available. Mr. Lawn suggests that we are assured of our markets in the future, but I would like to know how he arrives at that conclusion, because according to my reading of reports issued by banking organizations, which fully appreciate the financial position of this country and the export and import possibilities, difficulties confront the primary producer in relation to all his products, including eggs.

Before the war China was one of the greatest exporters of eggs in pulp to the United Kingdom, but as a result of the

Communist war in that country there has recently been little export to Britain. I suggest that now that struggle has finished—we hope—China will re-enter the market as a big exporter of pulp and dried eggs, not as we know them, but in whites and albumen, and at prices with which we shall be unable to compete. As a manufacturer of cake I have discovered that a price resistance has grown up on the local market because the price is greater than it should be. That is partly because of the high price of eggs. An increase or decrease of 3d. a dozen makes a difference of 1d. a lb. in the price of cake. We should do everything possible to ensure that prices are kept down.

Mr. Fred Walsh—What effect would the use of powdered eggs in cakes have on prices?

Mr. DUNKS—Powdered eggs are not used. They will not make a sponge cake, which is the biggest seller.

Mr. Fred Walsh—Do you suggest that egg powder has not been used in the manufacture of cake?

Mr. DUNKS—It has only been used when it was not possible to get fresh eggs. If the honourable member were a commercial traveller in powdered eggs and I were a commercial traveller in fresh eggs, he would starve while I earned a good living. No-one is more anxious than I to keep up prices for the producer, because he is the backbone of the country. Nothing is further from my mind than to bind him down and compel him to sell cheaply. This legislation will increase the price of eggs to the consumer by 2d. a dozen. This will be a very great consideration in the ordinary home, because I imagine eggs are contained in the C series index. When eggs go up 3d. a dozen the price of cake is increased by 1d. a lb. plus one-eighth of a penny for sales tax. This does not matter a scrap to the manufacturer except that he will not have such a large turnover because the people resent the increased price and will not buy. Manufacturers are free of price control yet they have been and still are scratching to make a living. In many instances they have gone out of business because of a falling off in trade brought about by customer resistance. Some small manufacturers have had to close down and leave the manufacture of cakes to the bigger concerns with plenty of machinery.

Members on both sides should try to keep the small man in industry. I think it was Napoleon who said that Britain is a nation of

shop-keepers, but I say that they are the safety of the country. The Opposition would like this matter handled as was done in Victoria and New South Wales, where the Egg Boards are owned and controlled by Labor Governments, but this Parliament knew it would not get any support for this. Members knew that they would not get support from the pure Liberal people. Knowing that we could not go the full way we made the merchants the agents of the Egg Board, allowed them a certain amount for the work they did and paid them a commission. We allowed them to take over the territory from which they had been buying, and the producers felt that they had a pretty good income because they did not have to go out and find people to buy their eggs; the board did this for them and sold on their behalf. In the early days of the board's operation when wages were very much lower than today the margin for labour of 2s. 10d. might have been sufficient, but I doubt whether it is enough today in view of the increase in the base rate.

The Hon. A. W. Christian—But they are still doing the work.

Mr. DUNKS—They are, but if this legislation is repealed no one would be happier than the average persons who are operating under the dictates of the board. They did business before the Egg Board was set up and an equalization scheme was arrived at which in my opinion should still operate, because the overseas trade takes 50 per cent of the production and the local trade the other 50 per cent. There is an equalization scheme for other industries, such as for dried fruits, but we have not said to the packing sheds, "You are totally under the control of the Dried Fruits Board." These people are allowed to buy from growers in the vicinity, the only restriction being that certain amounts of fruit must go to local consumers and overseas. Why shouldn't that principle be followed in the production and sale of eggs? Instead of making these people work for the board under certain conditions and for a certain remuneration, and the eggs sold to whoever the board wishes, why could not the scheme operating in the dried fruit industry be followed? Before the board took over there was keen competition between egg merchants; three buyers would go to different localities and the highest bidder would be the purchaser, but today there is no competition. Now one agent of the board is not allowed to go into another agent's area, and the price is fixed by the board.

Before the board was established an auction was held at Sandford's market every week, to which anyone could go and bid for eggs in the same way as the auction for wool that the member for Burra mentioned. This auction fixed the price, which was a minimum price, although there was nothing to prevent a buyer going out and offering more if he had trouble in obtaining supplies.

I know of one case that requires redress. When this scheme came into operation one merchant had a big business supplying egg pulp to South Australian manufacturers, particularly bakers. Unfortunately for him he drew his supplies from the Pinnaroo district. A couple of years ago a man living in Pinnaroo decided to buy eggs from that area and send them to Victoria where he could obtain 1d. a dozen more than from the Egg Board. I have some figures that are rather distressing. They show that over a period of years although there was an increase in the overall collection of the Egg Board from all over this State, in numerous years this man has had a deficit compared with the general amount. In the years 1947 and 1948 his deficit was 46,000 doz. In the year 1948-49 the deficit was 63,900 dozen eggs; in 1949-50 90,936 dozen; in 1950-51, 131,612 dozen; and in 1951-52, 173,276 dozen. Those figures were arrived at by assessing the percentages that should be available to each merchant. He lost a large quantity of eggs, most of them from the Pinnaroo district, which are being sent over the border. I thought that practice was against our State laws, but the Minister of Agriculture assured me that section 92 of the Commonwealth Constitution allows such trade between States. The man to whom I refer lost much money because of these deficits, and this emphasizes the unfairness of the system.

Mr. Hutchens—Isn't it a fact that that buyer was buying at third grade prices, and other buyers were paying a higher grade price?

Mr. DUNKS—Possibly, but he has suffered from these deficits. If the board did not exist, this buyer could buy eggs at the price obtaining in Victoria and sell them at the price being charged in South Australia today, thereby increasing the quantity of eggs available in South Australia and to this buyer and restoring to him his reasonable quota. We must also consider the effect of the board's operations on South Australian cake manufacturers. The contract price for egg pulp purchased from the board during September and October is 2s. 10d. lb., and, because the eggs

must be kept in cold storage and delivered to the manufacturer as required during subsequent months, the price rises each month by increments designed to cover the cost of storage and administrative expenses. Using eggs of "second grade hen" quality, priced at 2s. 4d. a dozen, the board sells the pulp, charges 5s. for the tin, and allows the merchant 2s. 10d. for labour and 2s. 10d. for commission, and sells a 40 lb. tin of pulp to the cake manufacturer for £5 13s. 4d. As the expenses of the board in purchasing the pulp, supplying the tin, and paying the merchant for his work are £4 0s. 8d., this results in a profit of £1 12s. 8d. for the board. True, the board must manage the equalization part of the scheme and lose money on exported egg pulp. To do this it must make up this deficit on South Australian sales, but this result could be achieved without the operation of the board under an equalization scheme handled by the merchants. Another unsatisfactory aspect is the charge of 5s. for a 4gall. tin, because, if such a tin is washed and steamed out after use, it can be used many times. Before the establishment of the Egg Board manufacturers did that and used the same tin for four or five years, therefore it may be said that 3s. 6d. or 4s. is being thrown away on the cost of the tin today. The charge of 5s. is absurd and indicative of the times in which we live when the slogan seems to be, "Never mind the future, let's live in the present!" This matter should be looked into, for surely these tins could be used over and over again. Today, if we want to do the work ourselves, we find that, even though the prices of four different grades of eggs are advertised in the press each day, if any manufacturer asked for 100 cases of "second grade hen" eggs (the eggs from which the board is making the pulp), the board would say that none were available because all were being sold to it; therefore we are forced to buy eggs at today's market price of 3s. 11½d. Allowing for this price and the same charges as those made by the board for processing, the pulp would cost us £6 5s.; whereas if we could buy the eggs at 2s. 4d., the same as the board, the pulp would cost us only £4 0s. 8d., and, even if some charge were superimposed so as to make up for the equalization scheme, we would still be buying at a much cheaper rate than that charged by the board today.

Another practice requiring attention is the obligation on the manufacturer to state his requirements for the months of September to

July before the end of the preceding August, so that processing may be carried out during the flush season. Then the eggs are put into cold storage and the pulp delivered to the manufacturer as required. If he does not order in advance in this way he will not be supplied. Further, if any eggs are over at the end of the contract season, the purchaser is not permitted to sell them, because the Act prohibits anybody except the board from selling. It may be argued that provision may be made for the resale of the egg pulp, but, if any big manufacturer can judge within 300 40lb. tins his requirements for the season, he is a genius.

The Hon. A. W. Christian—The board is faced with the same problem in pulping.

Mr. DUNKS—True, but I do not want the board to be in existence. I want it to be relieved of that responsibility and leave it to private enterprise which did it for years and got out of its difficulties. Another thing that concerns me—and I did not realize it until today, and had hoped that this debate would be adjourned so that I could examine it—is that in 1949 one of the reasons given for the amendment was as follows:—

By section 16 of the Act it is provided that the Auditor-General must, within three months after the end of each financial year, report to the Minister on the question whether the board's prices for eggs are reasonable and whether its work is done economically.

I realize now that that report is to the Minister. I have searched through the Auditor-General's reports and I find that he gives the board's price, the overseas price, the quota that went overseas and the quota used in South Australia, but not a word on what every member should be wanting to know, that is, whether the price was reasonable.

Mr. Macgillivray—I think about two years ago the Auditor-General published a statement in the press to the effect that the price was too high.

Mr. DUNKS—I am not so concerned about the primary producers, because they do not care whether the price to the consumer is reasonable or not; so long as it is lucrative to them they are content. The consumer is the buyer—

Mr. Hawker—And he will not buy if the price is too high.

Mr. DUNKS—No, but he complains if the price of the things he has to purchase is too high.

Mr. Hawker—He is not alone in that.

Mr. DUNKS—I would like to see one of the Auditor-General's reports to the Minister.

The Hon. A. W. Christian—I have one here.

Mr. DUNKS—I know there is not much value in shutting the stable door after the horse is out, and after I have looked at the report I will have no opportunity of pointing out to the House that the Auditor-General says that the price is not reasonable and that the board's work has not been done economically if he has reported in that strain to the Minister. If he has done so I would have something to support my argument that the best thing that could happen to the egg industry from the point of view of producer, merchant and consumer is to dispense with the board and throw the responsibility back on private enterprise; have an equalization committee of some sort whose sole responsibility would be to handle the equalization of production and distribution of eggs. I hope the Bill will not pass.

Mr. WHITE (Murray)—I fail to see how any member can refuse to support this Bill and I was much surprised to hear some of the remarks of Mr. Dunks. He seemed to be more concerned about the person who uses eggs for manufacturing purposes than for the welfare of the egg producer. After all, it is the producer whose interests we must watch for if he is unable to produce eggs at a profit he must go out of business and the egg industry will collapse. All this Bill aims to do is to extend the life of the Act for another three years. It has been in operation for the past 12 years and I believe that throughout that period it has provided very good marketing machinery for the egg-producing industry. During this time the board has done everything possible to improve conditions. I know from my own experience that the board has sent inspectors out amongst the egg producers to advise them on the way in which to care for their eggs from the time they are collected on the farm until they are received on the egg-packing floor, and this has resulted in much better returns to the producer and must have done a great deal to build up the overall quality of eggs sold to the consumer in South Australia and to buyers overseas. I assure the House that this service rendered by the board has been much appreciated by the producers and it exemplifies the great interest that the board has taken in building up the status of the industry. Today our eggs have to be sold in a competitive market and I feel that the board is the logical authority to undertake the job. It has had 12 years' experience of marketing and I have no doubt that, although during that

period it has been selling to the British Ministry for Food on a non-competitive basis, it is well acquainted with overseas trading conditions and is the logical authority to continue the marketing of our eggs under the altered conditions of world trade. To drop the present method of marketing at this stage would create chaos in the industry. Production is almost at its peak and there would be turmoil indeed if some new system of marketing were introduced now. I have discussed this matter with a number of egg producers and find that there is general satisfaction throughout the industry. Possibly the only major complaint is some dissatisfaction in regard to producers' representation upon the board; they claim that it is more representative of the hatcheries, which are interested in the sale of day-old chicks, than of the commercial egg producers, and perhaps the Minister will keep this in mind when the personnel of the board is under consideration. The Auditor-General must inspect the books of the board and assure himself that the price to the consumer is reasonable, and that the cost of operating the board is not excessive. Because this is done each year, it must be reassuring to all parties concerned. The producers are well satisfied with the board's operations and desire it to continue. I have no hesitation in supporting the Bill and trust that it will have a speedy passage because it is in the interests of the industry.

The Hon. Sir GEORGE JENKINS (Newcastle)—The House should be careful how it proceeds with this Bill. It must consider whether the poultry industry generally has improved since the establishment of the board, whether producers have been getting a better return, and whether the consumers have obtained a purer article than previously. I think the answers to the three questions are in favour of the board. Those of us who went

through the early farming days in this State know something about prices and the marketing of eggs before we had an Egg Board. The Minister of Agriculture will recall the time when eggs on Eyre Peninsula could not be sold at 2½d. a dozen. It was not 2½d. in cash return to the producer, because the eggs had to be taken to the store and the producer took his payment in goods. Compare that with present conditions. Those who talk about the high price of eggs today must remember that there must be some relation to feed prices. Wheat and barley are now being sold at 14s. a bushel. South Australia is in a much more favourable position than other States. The board has handled the position well and the result has been satisfactory to producers and consumers. The latter know that they can now get a dozen fresh eggs, whereas previously all they got was a dozen eggs.

Mr. Dunks—There were a lot of complaints last year.

The Hon. Sir GEORGE JENKINS—If complaints are made to the board they will be investigated. There were complaints soon after I became Minister of Agriculture. It was found that one agent was not doing the fair thing and he was warned that if he persisted in his tactics he would be refused a licence: the result was that there was no more trouble. It must not be forgotten that many people went into egg production because it was possible to do so with little capital. We now have a valuable industry which is worth looking after. I support the Bill because the board has operated to the general good of the industry.

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

#### ADJOURNMENT.

At 4.16 p.m. the House adjourned until Tuesday, September 7, at 2 p.m.