HOUSE OF ASSEMBLY.

Tuesday, November 23, 1954.

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

QUESTIONS.

RENTS OF GOVERNMENT HOUSES.

Mr. O'HALLORAN—From an article in a recent edition of the *Public Service Review* I understand that a deputation representing associations and unions having members affected by the recent increases in the rents of Government-owned houses waited on the Premier early in the discussion period that preceded the increases. The Premier asked the deputation to submit a case in writing, which they did, but the Premier said it had arrived too late to be considered. In his letter, quoted in the *Public Service Review,* he said:—

I am, however, having your submission examined by the Public Service Commissioner, and, if he reports that there are grounds for reductions being made, these will be examined by Cabinet, and if Cabinet decides that the grounds should be supported and the Government has the necessary authorities available to it, an adjustment will be made to include any amounts that had been paid over the adjusted rate.

I understand that later a conference was held between the Public Service Commissioner and the representatives of the organizations I have referred to, and the Commissioner said that, following on the discussion, he would report to the Premier. Has the Premier received the Commissioner's report? If so, is any substantial variation of rents suggested in it, and will it be made available to the House?

The Hon. T. PLAYFORD—I have received a report; no substantial variations have been proposed in it. I consider that this matter is the responsibility of the Government, and the Government does not desire to throw its responsibility on to officers. It would place an officer in an invidious position to have his report canvassed; therefore I should like time to consider the last point raised by the honourable member. Quite apart from the matter involved in his question, I forwarded to him yesterday a communication in which I suggested that there should be an authority to consider an individual appeal in this matter. That will probably be received by him today and in due course he will no doubt advise me whether he approves of the suggestion.

IRRIGATION SOLDIER SETTLEMENT.

MR. MACGILLIVRAY—Early this session the Minister of Irrigation said that about 100 qualified ex-servicemen were awaiting settlement in irrigation areas. Those men have been waiting almost a decade, and the Minister said the Government intended to open up a settlement at Lyrup. In the meantime serious opposition has come from certain vested interests, mainly in Victoria, who argue that the future of the dried fruits industry is threatened by the proposed expansion of soldier settlement; but that, of course, is quite incorrect. I am afraid, however, that this propaganda may influence the Government. Can the Minister say whether the Government intends to proceed with the Lyrup settlement scheme as promised, and if so, when?

The Hon. C. S. HINCKS—The honourable member has raised this matter on several occasions, and on behalf of the Government I informed him that the Government was doing everything possible to find a suitable area to rehabilitate the remainder of the applicants for irrigation settlement blocks. There are about 100 still awaiting blocks. The Irrigation Development Committee, which inquires into these propositions and which comprises Mr. Strickland, the Chief Horticulturist (chairman), Mr. Gordon (until recently Secretary for Irrigation, but now Assistant Director of Lands), Mr. Ide (Engineer for Irrigation), Mr. Taylor (representing the C.S.I.R.O.), and Mr. Pierson (secretary), has presented a report to me which I have submitted to Cabinet. Cabinet has agreed that the matter shall be referred to His Excellency the Governor in Executive Council—I hope next Thursday—with a recommendation that, if His Excellency is satisfied, it be referred to the Land Settlement Committee for further investigation.

GUEST HOME CHARGES.

Mr. WILLIAM JENKINS—Will the Premier, as Prices Minister, consider an increase in tariff to guest home proprietors in our southern districts holiday resorts during Christmas, Easter and long week-ends? This request has come to me from some of our people who are concerned that several of our leading guest homes have been converted into self-contained flats. These include *Inverary, The Southern,* and *Pipiriki.* Guest homes each employ a staff of about 10, have to pay time and a half and double time on these occasions, and cannot recover the extra cost because the tariff is fixed at the same rate as other times, making

it unprofitable. I ask the Premier for an examination of these claims, with a view to making a reasonable adjustment.

The Hon. T. PLAYFORD—I will ask the Prices Commissioner to investigate the matter as if an application had been received conjointly from the guest home proprietors.

INTERSTATE ROAD TRAFFIC.

Mr. HUTCHENS—It appears from recent press reports that owing to a recent Privy Council decision interstate road transport hauliers will have the right to trade without being hampered by State regulations, and that they will carry on the roads much cargo that they did not previously carry. Can the Premier say what the effect will be on the South Australian railways?

The Hon. T. PLAYFORD—It is difficult to estimate precisely how much traffic will be diverted from the railways to other sources, but in regard to Victorian traffic it could mean a loss of about £240,000 a year. The State Government is anxious to meet the competition and to make a reduction in freight charges to enable the railways to hold the business, but we are not able at present to get complete agreement with Victoria on this matter, so I cannot say offhand what will be the position, but it could mean very heavy losses on our railway system.

Mr. Macgillivray—It makes heavy losses anyway.

The Hon. T. PLAYFORD—These would be additional to the losses now incurred, which are the result of interest and sinking fund payments on money borrowed. That is a constant sum and cannot be altered by the Privy Council decision. I do not think this is a case where we should panic. The railways should set out to effectively meet the challenge and to give an economic service. For long distance transport I think it will be found that the railways can successfully compete if they are made truly effective. Personally I would be opposed to setting up, in one form or another, restrictions which may be constitutional to take the place of restrictions which are held to be unconstitutional. It may be necessary for the State to consider whether it can afford to allow a large number of vehicles which now make no contribution to the maintenance of roads to continue to operate under the same conditions on our highways. Under the reciprocal agreement we allow registrations in other States to be regarded as registrations in this State. I do not say that this will be the immediate policy, because we must see the extent to which we can meet the competition by the effective use of our railways, but in regard to heavy vehicles the reciprocal agreement may have to be set aside in the interests of maintaining our roads.

Mr. MACGILLIVRAY—The Privy Council last week gave a ruling on interstate transport, which is of major importance to private enterprise and democracy—terms which are, of course, synonymous. Following on that decision a report in the *Advertiser* stated:—

The Minister of Transport (Mr. Wetherell) said tonight he had sought legal advice on whether legislation could be introduced to circumvent the Privy Council's decisions. Officers of the Transport Departments of Queensland, New South Wales, Victoria and South Australia would discuss the possibilities of framing similar legislation.

I am not interested in the views of the New South Wales socialist Minister nor in those of the Transport Control Boards of other States; but I ask the Premier why the South Australian Transport Control Board should suggest that South Australians generally and their Government in particular should try to circumvent the decision of such an authoritative body as the Privy Council. Will he issue instructions that any future statements on this matter shall be made by a responsible Minister of the Crown and not by a department?

The Hon. T. PLAYFORD—Statements of the policy of this Government will always be made by its Ministers. In reply to a question this afternoon I have gratuitously stated that it would be improper to try, by some other means, to circumvent the decision of the Privy Council, and my Government will follow that policy. Even if all the public officers of the State tell the honourable member otherwise, it will not affect Government policy.

ALLOCATION OF MIGRANTS.

Mr. HEASLIP—The following is an extract from an article in the *Advertiser* of November 20, under the heading "South Australia has Least Unemployment":—

South Australia has the lowest level of unemployment in Australia, according to figures just released by the Minister for Labor (Mr. Holt). The statistics show that only 65 people were receiving unemployment benefits in South Australia at the end of October. At the same date there were 6,853 unfilled job vacancies in South Australia—an increase during the month of 1,157 for men and 75 for women.

In view of the fact that the number of industries and employment in South Australia are increasing each month, and lack of labour,

can the Premier say whether the Government proposes to do anything to get a larger allocation for South Australia of the migrants coming to this country?

The Hon. T. PLAYFORD—On a number of occasions we have requested a larger allocation of the people coming from overseas and it is my intention to take up this matter in the near future at an interstate conference. We are particularly concerned because at present a long period elapses before nominated British migrants can be brought here, even though they have a job to go to and accommodation is awaiting them. If we could speed up the nomination system we could get effective relief in this matter. These nominated migrants have friends here who are prepared to accommodate them and to see that they settle in properly. The nomination plan has worked particularly successfully. The matter raised by the honourable member is receiving active attention.

MAIN NORTH ROAD.

Mr. JOHN CLARK—Members will remember that over the last three years I have repeatedly sought to have a dual highway on the Main North Road, or failing that to have the road widened. It was very heartening to find the *Mail* drawing attention to the need for this. It was also pleasing to see that it was regarded as a matter of urgent public danger and not a political one, because the *Mail* refrained from bringing into the discussion the members of Parliament through whose districts the road runs. The following is an extract from last Saturday's *Mail* under the heading "Two killed, seven hurt in six months.—Mounting toll on North Road":—

Two men killed in a road accident on the Main North Road near Gawler last Saturday brought the major accident toll on this stretch of road between Little Para and Gawler to seven in the past six months. At least 14 vehicles have been involved, two people killed and seven injured. Gawler police say they are called to five or six minor accidents a week on their section from Salisbury to Gawler. Salisbury police check on three to four a week on their section. National Safety Council President, Mr. Page, said the amount of traffic warranted a full width road. Gawler has actually become a metropolitan town and the increased traffic due to building activities at Salisbury, as well as the number of sporting activities being held in Gawler, had outgrown the road. The danger at the numerous hazardous sites on the road was in many cases not evident until the vehicles were actually on the spot. Need for widening both the road and bridges was urgent. An R.A.A spokesman said the road was one of the main outlets from Adelaide and was unquestionably too narrow for modern traffic. Under the National Roads Programme proposed by the A.A.A. such an important road was considered to need more urgent treatment than had been possible in the past. The Munno Para East District Clerk, Mr. R. G. Whitington, said that there were four bridges between Gawler and Smithfield that were definitely too narrow. At least three accidents had occurred at one bridge in the past 10 months. Guard rails on several bridges had been torn off but they had been replaced without any attempt to widen. He anticipated more really bad accidents would be caused by the bridges before long. The Roads Minister, Mr. Jude, said there was no lack of visibility on the road. Speeding and maniacal driving was rife, and probably caused more of the accidents than anything else.

The district of Munno Para runs from outside Gawler almost into Salisbury. I personally inquired about these accidents and ascertained from those with detailed knowledge of them that not one was caused by maniacal driving. In view of the information contained in the article will the Minister further investigate the possibility of this road and the narrow bridges on it being widened in the near future?

The Hon. T. PLAYFORD—As this involves a question of policy I should be pleased if the honourable member would put it on the Notice Paper.

SCHOOL LAVATORY ACCOMMODATION.

Mr. FLETCHER—Has the Minister of Education any reply to the question I asked on November 16 relating to unsatisfactory sanitary arrangements at the Mount Gambier high school?

The Hon. B. PATTINSON—Following on the honourable member's representations I asked the Architect-in-Chief to have plans for the new block completed this year so that I will be in a position to call for tenders early in the new financial year and to give this item high priority on the list of minor works for that year.

CHLORINATION OF MURRAY WATER.

Mr. GEOFFREY CLARKE—Has the Premier been able to obtain a report from the Minister of Works relating to the filtering or chlorination of the Mannum-Adelaide pipeline?

The Hon. T. PLAYFORD—Yes, the reply from the Engineer-in-Chief is as follows:—

No filters are being installed. For many years the Mannum-Adelaide pipeline will be mainly a standby insurance scheme. In some years little water will be required from the pipeline, but in drought years, when the reservoirs require more assistance, greater quantities will be pumped. During the coming summer the whole of the water pumped

will pass through existing reservoirs, where it will be blended with reservoir water and, generally speaking, in succeeding years a large proportion of the Murray water will be mixed with the reservoir water, either in the reservoirs or in the mains, before being supplied to consumers. Towns on the River Murray from Tailem Bend to Renmark and many towns served by the Morgan-Whyalla pipeline receive only unfiltered water. Regarding chlorination, I advise that all Murray water supplied this summer will pass through reservoirs and each reservoir has a chlorination plant on its outlet, which is immediately placed in operation if bacteriological examinations show that this is advisable. By the following summer a chlorination plant will be in operation on the Mannum-Adelaide pipeline at Mannum.

TAXI-CABS INVESTIGATION.

Mr. LAWN—Has the Premier, as Prices Minister, anything to report in connection with the recent investigation by the Prices Branch into the taxicab industry? Can he say whether the Prices Commissioner experienced any difficulty in obtaining information from any person, body or organization, and whether he had to threaten to use his statutory powers to obtain information?

The Hon. T. PLAYFORD—It is true that the Prices Commisisoner is undertaking an investigation into charges and other matters associated with the taxicab industry in Adelaide. He has issued two reports to me in connection with this matter but I have not yet received a final report. He has had no great trouble in securing information. I think that on two occasions he had to point out that he had power to require information, and on two or three occasions he was reminded that information obtained under the Prices Act is privileged to the Prices Department and cannot be released to the public. I will receive the report in due course but I point out that it will not be possible for me to make it public because under the legislation I am bound to the same secrecy as the department, although I may be able to state the conclusions contained in the report in general terms.

Mr. JENNINGS—Is the Premier aware that since he ordered an investigation into the taxi industry by the Prices Commissioner some of the people who were hiring out taxi licences have apparently panicked and surrendered licences or have advised the City Council (the licensing authority) that they were hiring them out, with the result that those people who have been paying exorbitant charges for the use of the licences have had their livelihood chopped off at a moment's notice? According to my information this has happened in several cases and it is undoubtedly likely to happen in others, so I ask the Premier whether he will have this aspect investigated also, and can he indicate when the legislation already on the Notice Paper is likely to be brought forward so that the taxi industry can be stabilized one way or the other?

The Hon. T. PLAYFORD—The matter that the honourable member first mentioned has been brought under my notice and it is being investigated by the Prices Commissioner at my request. I am not yet in a position to say whether the legislation now on the Notice Paper can be finalized this session.

Mr. LAWN—Recently I heard that during his investigation in regard to taxicabs the Prices Commissioner had to threaten Yellow Cabs Limited and the Adelaide City Council because of the difficulty in obtaining information from them. This afternoon I asked the Premier whether it was a fact that any individual body or organization had been difficult in the matter and he replied that in two cases the people concerned had to be reminded of the statutory powers. Can he say whether the two cases concerned Yellow Cabs Limited and the Adelaide City Council?

The Hon. T. PLAYFORD—Frankly, I am not certain who they were. In conversation with me the Prices Commissioner mentioned that it had been necessary to remind certain people from whom he wanted information that it could be called for, but I did not ask him to disclose who was concerned. I cannot say whether they are the bodies mentioned by the honourable member, but I believe that one of them may have been concerned.

ROAD GUIDE POSTS.

Mr. HAWKER—A practice has grown up under which patrol graders grade roads out wider than the distance between guide posts and culverts, the road narrowing sharply at these points. This creates a definite hazard, especially on still nights on gravel roads when the dust hangs. Will the Premier, representing the Minister of Roads, see whether action can be taken to minimize the danger arising from this practice? Will he also ascertain whether the practice of painting the guide posts on the near side with a black band and those on the off-side all white can be made universal?

The Hon. T. PLAYFORD—I will take both these matters up with the Highways Department and let the honourable member have a report as soon as it is available.

WALLAROO HOUSING.

Mr. McALEES—Can the Premier say whether it is the intention of the Housing Trust to continue building houses at Wallaroo? Although many people are moving there are still inquiries for the housing.

The Hon. T. PLAYFORD—I will obtain a report on the matter. The last report I had was that the trust is still undertaking a limited amount of building at Wallaroo.

FREIGHT CHARGES FROM PORT PIRIE.

Mr. DAVIS—There is an industry in Port Pirie which manufactures large kittles and pans, and often they are ordered from Melbourne, which necessitates the railing of them there. Owing to the Railways Department's lack of equipment the firm is compelled to send the pans and kittles to Mile End by road, and it is further penalized when the articles are sent this way because it is charged 10 per cent above the rate usually charged by the people that transport by road. I ask the Minister representing the Minister of Railways whether he will go into this matter with a view to removing an anomaly which appears to result in an unfair penalty.

The Hon. T. PLAYFORD—Yes.

CONCESSION FARES FOR PENSIONERS.

Mr. FRED WALSH—On numerous occasions the question of concession fares for old age and invalid pensioners on trams, trains and buses has been raised, but nothing tangible has resulted. A letter I have received from the Secretary of the Department of Government Transport in Sydney states:—

Retired persons' concession fares certificates may be issued to persons who are in receipt of the age and invalid pension, T.B. allowance, A.I.F. service pension, or repatriation pension paid under regulation 34AA of the Repatriation Act. Holders of certificates are entitled, upon presentation of their certificates at railway booking offices, to obtain a return ticket at the single fare rate for any journey wholly within the boundaries of New South Wales. There is no concession for single journeys undertaken upon the railway system. Certificates are also available on Government controlled tramway and omnibus services. Half fare to the nearest penny is payable for all journeys, *i.e.*, should the ordinary fare be ninepence, certificate holders pay fourpence and so on. The certificates are available at all times with the exception that the concession is not allowed for travel by special services to racecourses or sporting fixtures. Some owners of privately operated omnibus services also recognize the concession certificate; however, in these instances the allowance of concession travel is left entirely to the discretion of the owner concerned.

In view of the serious financial difficulties in which pensioners find themselves on account of the increased cost of living and the totally inadequate pensions allowed them, I ask the Premier to take up with the Tramways Trust the question of granting concessions to age and invalid pensioners similar to those obtaining in New South Wales?

The Hon. T. PLAYFORD—On a number of occasions some time ago this question was discussed with members of the Tramways Board, and without taking this question up with the trust, I can give the honourable member precisely what its answer would be. The trust would point out that it is not in a financial position to grant concessions but that it is prepared to grant them if the Government will pay it an amount equal to what it would lose in revenue. I point out firstly that the State Treasury is confronted with a heavy deficit this year and, secondly, that there is no amount listed on the Estimates enabling the Government to provide monies to the trust other than those already voted.

LIGHTING OF POLLING BOOTHS.

Mr. FRANK WALSH—Has the Premier any information concerning the lighting at school buildings hired for elections, which I raised in the Estimates debate?

The Hon. T. PLAYFORD—The Deputy Returning Officer for the State has submitted a report, with the whole of which I agree, except the last sentence. The report states:—

Whilst every endeavour is made to provide adequate lighting inside the polling booth it has never been accepted as the responsibility of this department to undertake outside lighting of schools used as polling booths. Such buildings come under the jurisdiction of the Architect-in-Chief, and additional outside lighting would be his responsibility. One solution to the problem would be the closing of booths at 6 p.m.

REGISTRATION OF UTILITY TRUCKS.

Mr. RICHES—Has the Premier a reply to my recent question regarding the registration fee charged for utility trucks used for private purposes?

The Hon. T. PLAYFORD—I have obtained a report, but I am not in a position to give Cabinet's decision on the matter. The Registrar of Motor Vehicles reports:—

The definition of "commercial motor vehicle" was amended several years ago to include vehicles of the type known as buckboard or utility. This was done to enable buckboards or utilities owned by primary producers to be registered for half fees pursuant to section 9 (7) of the Road Traffic Act. Only commercial motor vehicles can be registered

for half fees pursuant to the said section 9 (7). Under last year's amendment of the Road Traffic Act, separate schedules of fees were provided for passenger carrying vehicles and goods carrying vehicles. It would cause an outcry from primary producers if motor vehicles of the buckboard or utility type ceased to be classified as commercial motor vehicles. A registration fee is determined by the construction of the vehicle, and not by the purposes for which it is claimed to be used. Many greengrocers use tourer and sedan motor vehicles for carrying green groceries from the market or railway station to their shops. The fact that such vehicles constructed for the carriage of passengers are used for the carriage of goods does not affect the fee. It is the type of body of the vehicle, and not the use to which the vehicle is put which determines the fee. In my opinion buckboards and utilities which are constructed partly for the carriage of goods, and partly for the carriage of passengers, should continue to be taxed as commercial motor vehicles.

COMPULSORY DRIVING TESTS.

Mr. JOHN CLARK—Has the Treasurer a reply to my recent question regarding compulsory driving tests?

The Hon. T. PLAYFORD—I have received a long report from the Registrar of Motor Vehicles, which I shall be happy to make available to the honourable member. Dealing with the number of deaths from road accidents throughout the Commonwealth for the year ended June 30, 1953, the report contains the following table:—

State.	Deaths.	Total Vehicles Registered.	Ratio of Deaths to Vehicles Registered.
S.A.	136	206,610	1 to 1,519
Tas.	56	60,033	1 to 1,072
Vic.	515	548,943	1 to 1,066
N.S.W.	663	659,017	1 to 994
Qld.	301	267,006	1 to 887
W.A.	182	136,275	1 to 749

Members will see that where there has been a compulsory driving test there has been no reduction in the heavy road toll. Every time our statistics have been examined they have shown that the over-confident driver is the one most likely to become involved in an accident. The person who has been driving for two or three years and takes calculated risks is the one who gets into trouble when the unexpected happens. I appreciate the interest members have shown in trying to find a solution. The Government is anxious to find one and it will consider any means that will in any way alleviate the position. The report is available to the honourable member and I will be pleased to discuss any aspect raised by him, or any other member for that matter.

CURRENCY CREEK SCHOOL YARD.

Mr. WILLIAM JENKINS—Has the Minister of Education obtained a reply to the question I asked on November 16 about the possibility of paving the Currency Creek School yard before the coming winter?

The Hon. B. PATTINSON—Following on the question I investigated the matter. A large amount of grading has been done at the school but no request for paving appears to have been received. The area mentioned by the honourable member could be paved at an estimated cost of about £200 and I am asking the Architect-in-Chief to have this work done if possible during the coming summer.

CROYDON SCHOOLS.

Mr. HUTCHENS—Next year it is anticipated that further accommodation will be needed for the Croydon primary school, which will mean taking another room from the present girls technical school. I understand that the Government proposes to proceed with the erection of a new room on the Torrens Road site. Can the Minister of Education say what progress has been made in that work and when it is proposed to commence work on the new girls technical school on Torrens Road?

The Hon. B. PATTINSON—There was a delay in proceeding with the work on the extra classroom because of a difference over the site. The docket has now been sent on to the Architect-in-Chief, and the head of the building division considers that the room can be made available by February unless a more urgent case arises. The Architect-in-Chief has prepared preliminary sketch plans for the proposed new girls technical school and they are now being examined by officers of the department. When they have been approved by them they will be returned to the Architect-in-Chief so that he may embody any necessary alterations and finalize the sketch plans for the Public Works Committee. If the plans meet with the approval of the committee and Cabinet the work can be placed on the Loan programme for 1955-1956.

SAWMILLS AND FACTORIES ACT.

Mr. FLETCHER—Recently I drew attention to the sad tragedy at a Kalangadoo sawmill and asked whether the Premier would investigate the possibility of bringing all South-Eastern sawmills under the Factories Act. Has he any further information on the matter?

The Hon. T. PLAYFORD—I have investigated the matter raised by the honourable

member and examined the Coroner's report in connection with the tragedy. There was a suggestion that if certain equipment had been installed at the mill the tragedy might not have happened, but that cannot be proved or disproved. I have inquired whether it would be possible to declare all sawmills in the district under the Factories Act but I do not think it can be done. The only thing to do is to declare the whole area under the Act, which would bring in all factories. My general impression is that the report on that procedure will be favourable but I have not yet seen the report and it has not been before Cabinet.

HOUSING TRUST TIMBER HOMES.

Mr. JENNINGS—Has the Premier a further reply to the question I asked on November 4 about outstanding applications for timber-frame homes being automatically considered by the Housing Trust without further application for the new homes to be built of Australian timber?

The Hon. T. PLAYFORD—The chairman reports that any application for an imported timber house will, without further application, be regarded by the Housing Trust as an application for a timber-frame house now being built with local material by the trust. There will be no need for a further application.

COUNTRY SEWERAGE SCHEMES.

Mr. RICHES—On Thursday last the Premier quoted figures of estimated costs of installing sewerage schemes in several country towns including Port Augusta. The capital cost of such a scheme at Port Augusta works out at £200 a house. The scheme envisages substantial annual losses by the Government and I have been requested to suggest that instead of insisting on such a scheme the Government consider subsidizing the installation of septic tanks. If the Government made a grant of £50 to each householder for that purpose, it would save £150 a house in capital expenditure, and all of the annual losses, and the householders would be relieved of rates which would accrue as soon as a sewerage scheme was installed. Will the Premier consider such a scheme? This matter was raised earlier in the year and I thought the Government would include some provision to this effect in the Waterworks Act Amendment Bill introduced last Thursday.

The Hon. T. PLAYFORD—Apart from the figures I quoted I have other figures worked out on a rating basis indicating the weekly cost to the majority of householders under the sewerage scheme. I did not give those figures because they are subject to further examination but I can inform members that they are not excessive when compared with charges already applying in many country towns for services less suitable than the proposed system. The problem in many towns would be solved by the provision of septic tanks, which can be suitably installed in localities where the ground is porous. The problem at Port Pirie can only be solved by a deep drainage system. The Government is still considering the question of the installation of septic tanks but I cannot make a statement on it yet.

SUPERANNUATION BENEFITS.

Mr. O'HALLORAN—I have received a number of letters in the last few months from superannuation pensioners asking whether the Government intends to amend the Superannuation Act this session. Will the Government introduce amending legislation this year to remove some of the anomalies which have been created since the last revision of superannuation benefits?

The Hon. T. PLAYFORD—The Government has received many requests from the Public Service Association, Teachers Union and other associated organizations for a review of the Act. Under the social service benefit scheme of the Commonwealth it frequently happens that an officer of the Public Service who has paid contributions for superannuation during his entire working life finds himself not much better off than if he had made no payments. That is one of the weaknesses of the Commonwealth scheme of social services, which militates against the thrifty person who tries to provide for his future. This matter has been examined by officers of my department and the information they have procured has been considered by Cabinet, which has instructed the Parliamentary Draftsman to draw up a Bill. If that is prepared in time and the other work of the session is sufficiently expedited it will be introduced and given effect to this year. The main provision of the Bill is to alter the unit values upwards, which will provide substantial relief not only to those in the Public Service but to those who have already retired.

Mr. Dunks—Will those who have retired receive the same benefits as those still in the Public Service?

The Hon. T. PLAYFORD—Yes. It has always been the Government's policy, in adjusting the rates under the Act, to include officers

who have already retired, although in point of fact they have not paid increased contributions.

TEST OF RAILWAY ENGINES.

Mr. LAWN—I understand that recently the Railways Department conducted tests of freight trains loaded with motor bodies being drawn through tunnels, first by steam engine and then by diesel engine. Can the Premier, representing the Minister of Railways, say whether it is possible for a member to ascertain the results of those tests?

The Hon. T. PLAYFORD—I can see no reason why that information should not be made available and I will see if it can be obtained.

RECRUITMENT OF TEACHERS.

Mr. JOHN CLARK—I understand that Mr. Nietz, a senior member of the staff of the Teachers College, recently returned from England. Whilst away I believe he endeavoured to recruit teaching staff for South Australia. Has the Minister of Education anything to report on this matter?

The Hon. B. PATTINSON—Mr. Nietz called into the Education Department on his return but did not see me. I understand that about 24 teachers were secured but that less than 20 are qualified to commence teaching duties at the beginning of the next school year. I believe that about six will have to undergo a short course of training. I will obtain more precise information and let the honourable member have it tomorrow.

SPOTTED WHITING.

Mr. LAWN—I understand that Mr. Trevor D. Scott, a Bachelor of Science and assistant in marine zoology at the Adelaide University, recently wrote a thesis upon the life history of the spotted whiting, in the course of which he drew attention to the danger of this fish becoming extinct. I believe that the minimum length at which a fisherman can take this variety of fish is 11 inches, but that if that minimum were altered to 15 inches it would ensure that the female of the species would be available to propagate at least once before reaching that length. Has the attention of the Minister of Agriculture been drawn to this matter and is it the Government's intention to consider altering the minimum length for these fish?

The Hon. A. W. CHRISTIAN—I am aware of the report to which the honourable member refers alleging that whiting are already scarce, but I have also seen a report from another authority to the effect that our gulfs are teeming with whiting at present. Information from the various experts seems to be contradictory. I point out that the length of 11in. was agreed to not long ago. It is therefore premature to think of altering it at this stage. The Government does not intend to depart from that at the moment.

FALCON GOLD MINES (NO LIABILITY) COMPANY.

Mr. JENNINGS—Some time ago I asked the Premier whether he would investigate allegations of fraud in the conduct of a company known as Falcon Gold Mines (No Liability) registered in this State. Has he obtained a report from the Crown Solicitor on this matter?

The Hon. T. PLAYFORD—Yes, and it is available to the honourable member.

INSURANCE OF STATE BANK HOUSES.

Mr. DUNKS (on notice)—

1. Do buyers of State Bank houses have to insure with the bank up to the amount of the bank's mortgage?

2. If so, and the buyer insures with a private insurance company up to the full value of the property, does the State Bank accept any responsibility in the event of earthquake damage to the property?

3. If not, is it the intention of the Government to amend the Advances for Homes Act to ensure that the bank pays its portion of the damage in proportion to its insurance?

The Hon. T. PLAYFORD—The replies are:—

1. Yes.

2. No. Where a borrower had insured with an outside company, that company had received the relative premium and accepted the risk attached thereto, therefore the bank has made no gratuitous payment in these cases on behalf of the Government.

3. The regulations under the Advances for Homes Act have been amended and the bank is now empowered to accept earthquake damage risks and, provided the borrowers take out cover for this type of damage with the bank at an increased premium of 6d. per £100 of insurance, claims up to the amount insured will be met. However, there is no compulsion in the matter and a borrower now has the choice of obtaining earthquake cover either from the bank and/or an outside insurance company. In future, if a borrower has earthquake damage cover with both the bank and

an outside company, the bank will cover a *pro rata* proportion of the damage sustained. All borrowers under the Advances for Homes Act will shortly receive a circular from the State Bank setting out full details of the additional insurance cover available under the amendment referred to above.

BULK HANDLING OF WHEAT.

Mr. HAWKER (on notice)—

1. How much a bushel does it cost the Wheat Board to handle and ship bulk wheat through the Ardrossan terminal, including interest and amortization on capital, and including payment to the Broken Hill Proprietary Co. Ltd. for use of their equipment?

2. How much is charged to the farmer for these services?

3. How much is charged to the farmer for handling and loading bagged wheat at Wallaroo?

4. Do the amounts charged in 2 and 3 cover the costs?

5. If the amounts in 2 and 3 do not cover the costs, how are the losses met?

The Hon. A. W. CHRISTIAN—The State Superintendent has furnished the following reply:—

1. The cost of handling wheat into the silo, maintenance, administration, interest and depreciation, and all shipping costs, including payment to the Broken Hill Proprietary Company, has amounted to 4.742d. a bushel.

2 and 3. All terminal costs, whether at Ardrossan or Wallaroo, are charged to the respective pool, and not to individual growers.

4 and 5. All costs are met in this way.

In further explanation, I would advise that at Ardrossan for all bulk wheat delivered, a deduction of 2½d. a bushel is made. A record is kept of these deductions and credited to each grower, and it is understood that this entitles him to an equity in the installation.

COBDOGLA DRAINAGE.

The SPEAKER laid on the table of the House the report of the Parliamentary Standing Committee on Public Works on the Drainage of the Cobdogla Irrigation Area (Loveday division), together with minutes of evidence.

Ordered that report be printed.

METROPOLITAN AND EXPORT ABATTOIRS ACT AMENDMENT BILL.

Returned from the Legislative Council with amendments.

LANDLORD AND TENANT (CONTROL OF RENTS) 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.

It extends the operation of the Act for a further period of 12 months. It also provides for further modification of the controls imposed by that Act and thus continues the policy of the amending Act passed in 1953 of providing for substantial relaxation of control. It will be recalled that the 1953 Act provided that business premises should, except in one regard to be mentioned later, be entirely freed from control, and that the Act would, in future, only apply to dwelling-houses and to premises such as where a dwelling is combined with a shop. It was also provided that new dwellings were to be free from control, that where a dwelling had not been let between September 1, 1939, and December 3, 1953, a letting of the whole of the house would be free from control and that any lessee in writing for a term of three or more years of any dwelling would similarly be free from control.

It may be of interest to give some particulars of the results of these amendments of the law. The Housing Trust has, since the 1953 Act came into force in December, 1953, kept records of the rents of premises freed from control which have come to the notice of the trust. It cannot be said that the trust has information relating to all rent movements which have occurred, but a substantial number of cases are known. So far as business premises are concerned, the records show that there have been increases in rent in the case of new lettings. In many cases the increases are relatively small. In the case of some rents there have been steep increases, but these mainly apply to premises in the busy shopping areas in the city of Adelaide where there is a very great demand for business premises and where the volume of business carried out is extensive. As before mentioned, three classes of leases of dwellings were freed from control by the 1953 Act, namely, new houses, houses not previously let since September 1, 1939, and leases in writing for three years.

As regards new houses, the 1953 Act has not been in operation long enough for many houses built for letting to be completed. However, it would appear that, apart from houses built by the Housing Trust, very few houses are being built for letting. The high cost of building probably accounts for this and, whilst

a great deal of private house building is being carried out, almost all the houses are being built for owner-occupiers and not for letting. As regards houses not let between September 1, 1939, and December 3, 1953, no cases of lettings have been reported. There are, however, instances of dwellings having been let on written leases for three years or more. Invariably, these lettings for three years have resulted in increases on the former rents. These increases range from moderate to extensive and lead to the conclusion that the result of freeing all lettings of dwellings from control would be to bring about substantial increases in rents. Whilst there is a considerable amount of house building in progress in the State, there is still a housing shortage and the population of the State is still increasing. The Government is accordingly of opinion that, for the time being, it is still necessary to continue controls over rentals and evictions of dwellinghouses as provided by the Act. Accordingly, clause 8 provides that the Act is to continue in force for another 12 months, that is, until December 31, 1955.

The remaining clauses provide for further relaxation of the existing controls. As was previously mentioned, the 1953 Act provides, among other things, that where a dwelling is leased in writing for a term of three or more years, the provisions of the Act do not apply. It is proposed by clause 3 to provide a further modification of control and the clause provides that a written lease entered into after the passing of the Bill for two or more years is to be free from control. The effect will be, if a landlord and a tenant agree upon a two year lease of premises and the lease is in writing there will be no control over the rent and the provisions of the Act relating to evictions will not apply. In addition, clause 3 provides that where the premises in question include a shop, a lease in writing for one year or more will be free from control. Thus, whilst a lease for two years of an ordinary dwelling will be free from control, a lease for one year of a combined shop and dwelling will be free from both rent and eviction control.

Mr. Quirke—Not if the parties have not come to an agreement.

The Hon. T. PLAYFORD—In that case there is no agreement and they are still under control. Many people have been able to reach an agreement, and under those circumstances it is not desirable for the State to interfere.

Mr. Geoffrey Clarke—The argeement might be in respect of a lease of a new shop.

The Hon. T. PLAYFORD—Yes. I have a substantial list of agreements that have been entered into.

Mr. O'Halloran—New shops are not under landlord and tenant control.

The Hon. T. PLAYFORD—They have not been relieved from control if they are attached to houses.

Mr. Quirke—If the tenant refuses to enter into an agreement the premises are still under control?

The Hon. T. PLAYFORD—Yes, the control would continue. Clause 3 also deals with the case of a dwelling house let to an employee of the lessor as a consequence of his employment. The Act already makes some provision for the termination of the tenancy of the lease of an employee tenant and it is now proposed that where a dwelling house is let by a lessor to an employee of the lessor in consequence of his employment the provisions of the Act relating to the recovery of possession of premises will not apply to the lease. Thus, while the provisions of the Act as to rent control will continue to apply, the law which will apply as regards the determination of the lease and subsequent proceedings to recover possession of the premises will be the ordinary law relating to landlord and tenant.

Clause 4.—Paragraph (*r*) of subsection (6) of section 42 provides that it is a ground to give notice to quit if the lessee has, without the consent of the lessor, converted into a dwellinghouse premises let as a shop or business premises. The paragraph states as a qualification to the paragraph that the premises are to be required by the lessor for re-conversion to a shop or business premises. Clause 4 strikes out this qualification. The result will be that, if a lessee of a shop and dwelling converts the shop part of the premises into a dwellinghouse, without the consent of the lessor, that will be ground for giving notice to quit under pragraph (*r*). Subsection (5) of section 49 provides that, where notice to quit is given under paragraph (*r*) the hardship provisions provided for by section 49 are not to be taken into account.

Clauses 5 and 6.—Subsections (6), (7) and (9) of section 49 and section 55 provide that, in certain circumstances, a landlord who has owned a house for two years may give 12 months' notice to quit to the tenant. In subsequent proceedings to recover possession of the house, the hardship provisions provided for in section 49 do not apply and, in general, the effect is that the court will make an order

against the tenant requiring him to give up possession of the house. It is proposed by clauses 5 and 6 to reduce the period of the notice to quit to six months. The effect will then be that, after the landlord has owned a house for two years he will be able to give six months' notice to quit to his tenant on the ground that he needs the house for occupation by himself, a son or daughter or an employee and, subject to the other qualifications contained in the relevant provisions, the landlord will, in general, be entitled to an order for possession.

A further amendment to section 49 is proposed by clause 5. It is provided that where notice to quit is given after the passing of the Bill on the ground that the tenant has sublet without the consent or approval of the landlord and the notice to quit is given for a period of six months or more, the provisions of section 49 relating to relative hardship, etc., are not to apply. The effect will therefore be that, if six months' notice to quit is given on the ground in question and the ground is proved by the landlord in subsequent proceedings in the local court, the landlord will be entitled to an order for possession against the tenant.

Clause 7.—As has been previously mentioned, the amending Act of 1953 provided that business premises were, in general, to be free from control. However, section 190a was enacted in 1953 which provides that, where proceedings are taken in a court for the recovery of possession of business premises and the court makes an order for possession, the order is to be post-dated by six months except where the lessee had failed to pay the rent or had committed a breach of his lease or the premises were reasonably needed by the lessor for his own occupation. The purpose of this provision was to provide that, with the relaxation of control over business premises, those lessees who were given notice to quit soon after the passing of the amending Act of 1953 would have a reasonable space of time in which to secure other premises. It is considered by the Government that sufficient time since the 1953 amendment has elapsed to enable this last measure of control over business premises to be removed and it is accordingly provided by clause 7 that section 109a is to be repealed. The effect will be that, as far as business premises are concerned, the ordinary law of landlord and tenant will be the only law applicable to lettings of these premises.

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

LICENSING ACT AMENDMENT BILL.

The Hon. T. PLAYFORD (Premier and Treasurer), having obtained leave, introduced a Bill for an Act to amend the Licensing Act, 1932-1953. Read a first time.

The Hon. T. PLAYFORD—I move—

That this Bill be now read a second time.

It gives effect to the amendments which the Government considers it desirable to make in the Licensing Act. They are not radical amendments but are for the purpose of adapting the existing provisions of the Act to modern requirements. They all deal with the supply of liquor and local option. The first amendments of substance are contained in clauses 4, 5 and 6. These deal with the rights conferred by storekeepers' licences, brewers' Australian ale licences, and distillers' storekeepers' licences, in connection with the sale of spirits. These licences are often called wholesale licences because they only allow the sale of liquor in relatively large quantities. A storekeeper's licence only allows sales of spirits in quantities of not less than one gallon of one kind of spirits. Brewers' and distillers' licences allow sales in quantities of not less than two gallons of one kind of spirits. At present the minimum quantity of one gallon or two gallons must be made up of the same kind of spirits. It would not be permissible, for example, for the holder of a one gallon licence to sell half a gallon of whisky and half of brandy. It is proposed by the amendments to enable a licensee to make up the minimum quantity of spirits which he is entitled to sell by aggregating more than one kind. The amendments will facilitate the business of wholesalers without making any inroads on the general principles of the Act. Clause 7 declares that the alteration in the effect of the wholesale licences will apply to existing as well as to future licences.

Clause 8 provides that any of the wholesale licences to which I have referred may be removed from one local option district to another. At present the law does not permit a licence of any kind to be so removed. The Government has been asked to propose a relaxation of this provision in favour of the wholesale licences only. Some wholesale traders in wines and spirits have in recent years found it desirable to move their businesses from existing premises in order to avoid high rents, but have been restricted by law in their choice of a suitable alternative site. The Government considers that there is no strong reason for restricting the removal of wholesale licences in the same way as

publican's or wine licences. The latter directly affect the consumption of liquor and the opportunities for drinking in a particular district. But the particular location of a wholesale licence has little effect on consumption, and is of little concern to the local residents.

Clause 9 deals with the licensing of barmaids. Section 182 of the Licensing Act provides that a woman who serves liquor at, in, or about a bar room is required to be registered as a barmaid. There is some doubt as to whether a woman who obtains liquor from a bar and delivers it to customers in a lounge is serving liquor "at or about" a bar room within the meaning of the present provisions. In practice it has been assumed that a woman serving liquor in such circumstances need not be registered as a bar-maid. It is now proposed to declare the meaning of these provisions to be that which has been generally accepted, and clause 9 makes amendments for that purpose.

Clauses 10 and 11 extend the time during which liquor may be served in hotels and restaurants with meals in the evening. The present law is that restaurants and hotels may obtain permits to supply liquor to customers taking meals between 6 and 8 o'clock in the evening. It is proposed to extend the period of operation of these permits so that liquor may be served in the cases mentioned until 9 o'clock. It is, of course, well-known that persons dining in hotels and restaurants often do not finish dinner until after 8 o'clock and there has been a strong demand for an extension of the permits as now proposed. The extension will apply to existing permits as well as to those granted in the future.

Clause 11 also makes another amendment to the law respecting permits granted to hotels to supply liquor at meals. The Act at present provides that liquor cannot be supplied under the permit unless the meal costs one and six pence. This amount was fixed many years ago and like many other monetary amounts now needs adjustment because of the changed value of money. It is proposed in the Bill to alter it to five shillings. Clause 12 permits interstate and overseas visitors to South Australia who are *bona fide* lodgers in hotels to buy drinks for not more than six persons at one time. The liquor must be consumed on the premises in the presence of the lodger and must be supplied at his expense and entered on his account. Clauses 13 and 14 make amendments consequential on those made by clauses 10 and 11.

The remaining clauses contain the Government's proposals for amendments of the law relating to local option. The existing provisions on this subject have several disadvantages and defects. The first is that under the present system each local option district consists of the whole of an Assembly electoral district. Such areas are too big for a proper system of local option. Because of the size of the districts an attempt to obtain an additional licence in one town may be decided by the votes of persons in another town at the other end of the district. It is not really local option at all. For example, in the district of Eyre the question of additional licences in Streaky Bay could be influenced and possibly determined by the votes of electors in Cowell. The question of an additional licence for Karoonda could be decided by the votes of electors in Renmark. Another difficulty in the local option system is that the electors can only vote on an increase or decrease by one-third of the total number of each class of licence. It is not open to the electors to have a poll on the question whether there shall be one or two more licences of any particular kind; but at every poll the general question of increasing or decreasing every kind of licence is opened up. It is very often not possible to take a poll on the real question which people want to have decided. Another unsatisfactory feature of the system is that polls can only be held on Parliamentary elections days. Thus local option questions are confused with other political issues to the embarrassment both of candidates and those interested in the local option polls. The amendments proposed in this Bill are in the main directed towards curing these defects.

Clause 15 provides that in future local option districts will consist of electoral subdivisions. The existing number of licences in each new local option district will not be altered except for the purpose of giving effect to any resolution carried before the passing of this Bill, or under the new provisions. If the area of a local option district is altered resolutions carried before the alteration will be carried into effect as if the alteration had not been made.

Clause 16 provides that local option petitions may be presented in the month of March or April in the year 1955 or in any third year thereafter, and that every local option poll must be held on the last Saturday in June next after the presentation of the petition. The object of these provisions is to arrange

matters so that local option polls will not coincide with general elections for Parliament. Every petition must be presented by a quorum of the electors as at present, that is to say, 500 electors or one-tenth of the total number in the local option district, whichever is the less. Every petition must be limited to one resolution, and in order to prevent the presentation of frivolous or unnecessary petitions it is provided that a fee of fifty pounds will be payable on presenting a petition.

Clauses 17, 18 and 19 contain consequential amendments. In clause 20 the questions which may be submitted to electors at a local option poll are set out. These questions are that the number of licences of any specified class may be increased or reduced by any specified number. Thus, for example, it will be open to petitioners to ask for one additional publican's licence or one additional club or one additional wine licence. All the resolutions in respect of which valid petitions are presented in the same local option district will be included in the same ballot paper and voting will be by writing "Yes" or "No" opposite to each question. Where there are two or more petitions asking for the same resolution to be submitted, the resolution will only be set out once in the ballot paper. Petitions may be withdrawn before the expiration of the prescribed period for presenting petitions.

In order that a resolution may be carried it will be necessary that more votes should be given for it than against it. If two or more resolutions should be carried in favour of increasing or reducing any licences by different numbers the resolution which provides for the greatest increase or reduction shall be binding on the Licensing Court. If a resolution in favour of a reduction of licences is carried that resolution will be given effect to by the Licensing Court in the same way as a reduction is effected at present. If a resolution in favour of increasing the number of any licences is carried the Licensing Court will be empowered to grant increased licences in accordance with the resolution. The Bill does not provide for submitting to the electors the question of no change in the number of licences, because that question is always in issue whenever there is a poll. Unless the electors vote for an increase or reduction the law does not permit any change to be made. Apart from the matters which I have mentioned the local option polls will be conducted very much as at present. Every House of Assembly elector will be entitled to vote and the existing electoral machinery will be used to conduct the polls. Voting is not compulsory. The remaining clauses, 21 to 30, are all consequential on the matters I have explained.

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

SUCCESSION DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1444.)

Mr. O'HALLORAN (Leader of the Opposition)—In 1952, when the Treasurer introduced a Bill to amend the Succession Duties Act, it had for its purpose an increase in revenue which had been insisted on by the Commonwealth Grants Commission, which had made an adverse adjustment of £240,000 in the State's grant. At the time other amendments were made to the Act. Apparently they created four classes of beneficiaries instead of three, raised the exemption for widows and children under 21 from £500 to £2,800, and increased the rates on the larger estates. In Committee I sought to increase the exemption for near beneficiaries in accordance with Labor's well-known policy that beneficiaries under wills, entitled to small estates, should not be mulcted of a substantial portion of their legacy by the Government in the form of succession duties. For instance, on today's house values a widow may be compelled to sell the house her husband leaves her to meet the duties levied on the estate. That was why I suggested that the exemption be increased to a greater extent than was proposed by the Government. We are told that some of the increased revenue is due to the abnormal number of comparatively large estates assessed for duty during the last financial year, but it was obvious that would be so when the amending Bill was passed. The value of real estate has been increasing.

Under the new scale £1,593,000 was collected from probate and succession duties, and under the old scale in 1952-53 the amount collected was £1,002,000. Instead of collecting only the £240,000 to meet the adverse adjustment the Treasury collected more than twice the amount from the increased duty. That proves the correctness of the Opposition statements at the time that the increase was too steep. It is difficult to estimate each year the revenue from this form of taxation. An amount of £1,500,000 is expected to be derived from this source this year. One reason for the reduction in the amount is the Treasurer's expectation that the Bill will be passed. I do not oppose it because it goes some distance along the road upon

which the Opposition has for years been trying to persuade the Government to travel. Because of the increase in the exemption for a widow and children under 21 from £2,800 to £3,500, and for the widower and adult children from £500 to £1,500, there is an substantial amelioration in the position relating to small estates. A feature applying to all cases is that the exemption remains for large estates. This was provided for in the 1952 amendment. Another important provision is that duty on duty free bequests will be calculated as if they were not duty free.

Bill read a second time and taken through Committee without amendment. Committee's report adopted.

FRIENDLY SOCIETIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1445.)

Mr. HUTCHENS (Hindmarsh)—I have studied the provisions of this Bill, which has two purposes. The first is to make it possible for friendly societies to transfer to their management funds more of the interest from their invested capital than is at present permitted. They may transfer all interest in excess of four per cent without obtaining the approval of the Public Actuary. I believe this is most desirable because of the increased costs of management of these societies. The second purpose is to enable the societies to make payments to persons who are too ill to be moved to a hospital or who find it impossible to obtain accommodation in hospital and who must obtain the assistance of trained nurses in their homes. That is also a desirable provision. I have spoken with officers of friendly societies and have been assured that these amendments are most desirable and necessary if the societies, which in the past have rendered great service to the community, are to continue. I support the second reading.

Mr. FLETCHER (Mount Gambier)—I support the second reading. All friendly societies are agreed on the provisions of the Bill. I believe agreement was reached by them in September and they requested that the Act be amended. Friendly societies have performed a great service to the community, and had it not been for the assistance received from them many persons in necessitous circumstances would have suffered. With the introduction of the Commonwealth scheme for hospital and medical benefits many private companies were established. They have the advantage of being able to apply increased charges after obtaining approval from the Registrar of Companies, but before friendly societies are able to recoup any losses or transfer any funds they have to obtain the approval of the Chief Secretary and the Public Actuary. In the past there have been lengthy delays before the requests have been approved. I have been assured that should this legislation pass it would probably be January or February before it becomes operative. The provision which will enable the societies to transfer all interest in excess of four per cent to their management funds is most desirable.

Bill read a second time and taken through Committee without amendment. Committee's report adopted.

COMMONWEALTH WATER AGREEMENT RATIFICATION ACT REPEAL BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1446.)

Mr. JOHN CLARK (Gawler)—I support this Bill, which I believe is in the best interests of the State. It repeals the Commonwealth Water Agreement Ratification Act of 1940 and provides that the agreement to which that Act applies shall cease to have effect as from July 1, 1952. It is obvious that this Act restricted State rights in respect of Commonwealth grants. The Bill provides that in future water required by the Commonwealth from the Morgan-Whyalla main will be supplied under conditions agreed on from time to time by the Commonwealth and State. Under the new arrangements the price payable by the Commonwealth will be the actual cost to the State of supplying the water instead of the price of 2s. 4d. a thousand gallons, subject to a minimum annual payment for the total quantity supplied. The State will benefit from this as it will not be restricted, as in the past, in its right to ask the Grants Commission to take into account losses on the Morgan-Whyalla waterworks.

Bill read a second time and taken through Committee without amendment. Committee's report adopted.

ANATOMY ACT AMENDMENT BILL (No. 2).

Adjourned debate on second reading.

(Continued from November 18. Page 1447.)

Mr. HUTCHENS (Hindmarsh)—I support this Bill, which is similar to the amending Bill introduced earlier this session and to which I spoke on August 19. That measure enabled

a person to bequeath his eyes for use after death and provided proper protections to the feelings and interests of the relatives and friends of deceased persons. This Bill provides similar provisions in respect of bones and tissues. There are sufficient safeguards and the Bill should receive the support of all members.

Bill read a second time and taken through Committee without amendment. Committee's report adopted.

WATERWORKS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 16. Page 1327.)

Mr. O'HALLORAN (Leader of the Opposition)—This Bill provides for more realistic charges for water services in respect of country lands, but the alterations should have been made years ago. During a Budget debate about three years ago I said that something should be done in this respect, but it seems consonant with Government policy that instead of making these increases in various statutory charges at the height of the State's prosperity and when the capacity of the people to meet them was greatest, it postponed the evil day until the peak of prosperity had passed. The Government has allowed the position to become almost hopeless before taking any remedial steps. It is proposed to make this legislation retrospective. Of course, the excuse will be that the increased charges will have to apply to this year's water rates, but since July 1 many properties in the country have changed hands and, undoubtedly, in assessing the price which he was prepared to pay a purchaser calculated water rating in accordance with the existing scale of charges. Had he known that this would be amended during the current session his idea of land values might have been different.

The present rates were fixed in 1925—nearly 30 years ago—and the Engineer-in-Chief's reports show that for many years the revenue has not been sufficient even to meet the running costs of various country schemes. Until recently these heavy losses have been offset by the profits made on the metropolitan water district and contributions from general revenue, but last year the metropolitan district made a loss of £23,000; and, as time goes on and the full weight is felt of the cost of extensions necessary because of the inordinate growth of the metropolitan area resulting entirely from the Government's centralization policy, the losses on the metropolitan district will become greater, particularly when the heavy cost of piping water from Mannum is felt. In several reports the Public Works Committee drew the Government's attention to the necessity of a revision of water rates, but until now nothing has been done about it. No doubt the Grants Commission has persuaded the Premier to seek an increase in revenue derived from country water schemes, otherwise an unsatisfactory adjustment would probably be made against South Australia in the future.

Before 1925 the system of country water rating was based on distance from the mains. The 1925 amendment substituted unimproved land values as the basis and confined the land ratable to that within one mile of the service. There is not much wrong with that as a system, but the low assessments maintained by the Taxation Department and the retention of low rates per acre, in spite of great increases in the real value of land and in the cost of constructing water schemes, militated against the success of the system. The rating was based on unimproved values, with a minimum of 4d. per acre on land assessed up to £2 2s. 5d. an acre, and a maximum of 7d. per acre on land assessed at £3 7s. 6d. or more. I am not complaining about the minimum, but undoubtedly the maximum was totally unrealistic considering the productive value of the best land in the State. Further, productive values have increased tremendously since 1925, when this system was introduced. If more realistic assessments had been made and higher rates authorized under the third schedule of the Act there would have been no need to bring down the amendments provided in this Bill.

It is important to realize that the Government is making a tremendous change in the principle expressed in the Act by transferring to the Minister the authority to vary the rates chargeable on country lands. It has always been a principle of this legislation that any charge on country lands must be sanctioned by Parliament, though the Minister has had the authority to fix charges for the metropolitan water district, which is a sane and practical method. Any alteration in country rating has to be ratified by Parliament, and undoubtedly the framers of the 1882 Act, when this principle was first incorporated, had in mind the power of the Legislative Council in protecting landowners from the designs of progressive Governments having a majority in the House of Assembly. The Government now proposes to surrender this bastion of defence

and to place country water rating on the same basis as metropolitan rating. In view of other measures now before the House, perhaps the Government does not think it is surrendering any bastion of defence at all. It probably thinks that its electoral proposals will ensure that no progressive Government will ever get control of this House. In both the Parliamentary Draftman's report and the supplementary report evidently supplied by the Engineering and Water Supply Department much stress has been laid on the meagre revenue and the great gap between revenue and the cost of maintaining water services. At first glance one might suppose that the Government is making a determined effort to make country water schemes self-supporting, but this is not so.

The costs in one instance were quoted in the Minister's second reading explanation. They were:—Capital cost of extension of main, £37,000; working expenses, £350; interest and sinking fund commitments, £1,017. To meet these charges the total revenue to be derived from this area, at 4d. an acre, would be £134. The revenue from rates would be insufficient to meet much more than one-third of the working expenses. If the rate revenue had to meet the full cost a rate of about 10 times the present rate would have to be charged—3s. 4d. instead of 4d. That would be an impossible rate and one which I would not advocate. However, for some undisclosed reason the rate of interest and sinking fund in this example was given at 2½ per cent whereas, had it been at current rates, the deficiency I mentioned would be even greater. For instance, if interest and sinking fund were 5 per cent, which is probably nearer the actual rate, those charges would be £1,850 which, together with £350 working costs, would make a total of £2,200. This would require a rate of about 5s. 6d. an acre.

The foregoing calculations exclude any revenue derived from excess water charges. We were not told anything about these charges, whether they were considerable and would assist in balancing the accounts or whether they were negligible. Excess water, however, may have a considerable bearing on this question. For instance, when the assessment is low, as in the example quoted for the Barossa Valley, we may assume that an occupier receives excess water at the rate of 1s. a thousand gallons. This opens up a question that should be considered: should we sell excess water at a lower price than rebate water? When a person pays water rates he is entitled to rebate water at a cost of 1s. 8d. a thousand gallons, but pays only 1s. a thousand for excess water. The idea of selling excess water cheaply may have been sound in the old days when we had surplus water running to waste and when any return we could get from its sale represented in effect net profit to the undertaking; but in these days of almost permanent water restrictions and costly pumping schemes, many of which cost several times 1s. a thousand in pumping costs, the charge for excess water might be examined with two objects: firstly, to discourage the unnecessary use of water, and secondly, to increase the revenue derived from this source. In the case of the Barossa Valley the total water rate was 17s. 6d. for 30 acres, and the rebate water involved in that charge would represent about 10,000 gallons. That is to say, all water consumed in excess of that quantity would cost 1s. a thousand. Obviously, that system of charges is unrealistic. Should the country landowner be charged only 17s. 6d. for the requirements of his home and 30-acre block while the metropolitan landowner pays probably six or seven times that amount for his suburban household block?

It is not proposed that the charges made for country water shall approximate the cost involved, and no indication has been given in the second reading explanation of how far the gap is to be bridged. One of the root causes of the present position—the failure of revenue to meet present costs—is the heedless extravagance of the Government in pushing ahead with all sorts of projects regardless of cost. The main principle has been "Have it done and don't count the cost!" It has been suggested that the new rating provisions will enable these works to be extended, but in the absence of any facts regarding costs of establishing these schemes it is difficult to see how this will result. These country water schemes, like many other schemes undertaken by the Government in country districts, add enormously to the value of the land they help to develop, and we should have years ago adopted the practice of making some of their capital cost a charge on the land values thus created. That would have helped to bridge the gap between revenue and expenditure on the undertakings.

Mr. Pearson—Would that have assisted decentralization?

Mr. O'HALLORAN—Yes, materially, because the provision of cheap water does not help the genuine land seeker to get on to the land: it makes it more difficult for him because of

the high prices that land-hungry people with ample funds are willing to pay irrespective of whether or not they desire to use the land. Such people can now outbid the genuine land seeker, whereas, if they knew that substantial charges are being levied to meet the cost of improvements that helped to create that value, they would know they would have to work the land to its reasonable capacity in order to meet their annual commitments. I do not suggest that the whole of the cost of country water schemes or any country developmental schemes should be recovered in this way, because as one who lived in the country all his life, and claims to have some slight knowledge of rural production, I realize that these schemes benefit the whole community. With each increase in production—particularly primary production—the sum total of the State's wealth is increased and every member of the community benefits directly or indirectly. However, consideration must be given to the aspect I have mentioned and the community must make some contribution towards the cost of these schemes as a *quid pro quo* for the benefits derived from the increased production resulting from them. Sooner or later, however, the burden of the cost of these schemes will become too heavy and we will have to face up to something on the lines I have suggested. In the meantime, as this Bill improves the position I support the second reading.

Mr. GOLDNEY (Gouger)—It is universally agreed that water is one of the most essential factors in the development of much of our country land. Many country areas are deficient in underground supplies and other localities have inferior underground water that is unfit for stock. The establishment of a reticulation system throughout the country many years ago has been one of the greatest factors in contributing to our increased production. In 1925 a rating system was devised whereby the poorer class of land paid a lower rate than the better class, and that rating has remained in force for many years except for a short period during the depression when a surcharge was imposed. Unfortunately, it was imposed at a time of bad seasons and low prices when those who had to pay the rates could ill afford to meet them. Eventually, however, the surcharge was removed and the rating has remained at 4d. and 7d. an acre on country lands.

Our water supply is the cheapest service provided by the Government and as prices of agricultural products have been high for some years it would have been wiser had the Government tackled this problem and increased water rates several years ago. Although the proposed increases will be fairly steep they are both desirable and necessary, and it is only fair and reasonable to expect the users of water to pay more. The use of water has contributed not only to their welfare but to the well-being of the State as a whole. Although we have not been told the precise terms of the new agreement, I understand the proposed increase will be about 50 per cent. In addition to the rate per acre there will be a steep increase in the fee for service connections, but that will not affect the country greatly because few new connections will probably be required. The previous connection charge for a half-inch service was £3 12s. 6d. and is now to be £8; for a three-quarter inch connection it was £3 17s. 6d., but is now to be increased to £10; and for a one-inch service the fee of £4 10s. is to be increased to £12 10s. As the time is overdue for some increase in water rates, I support the Bill.

Mr. JOHN CLARK (Gawler)—I am not very happy about this Bill. Unfortunately, I was not in the House to hear the earlier part of the Leader of the Opposition's remarks, and I may therefore find myself repeating things that he said. I am sure he would have mentioned the Government's increasingly bad habit during the last two or three years of increasing charges steeply after allowing them to remain low for many years. That is what is proposed now. Mr. Goldney mentioned that there would possibly be an increase of 50 per cent. If that is so, many of us will be happy that it is not greater. If it were in line with other increases in the last two or three years it would be considerably more than 50 per cent. I will not say that most of these increases were not necessary, because I believe they were. Recently there has been very steep increases in the fees for water and sewerage installations. In reply to a question, the Treasurer told me that the Government had been losing in such installations for years. It would appear to be a case of grave mismanagement. I agree that the Government should not be expected to continue making a loss. Large increases have been made in charges imposed by the Harbors Board. I believe the bulk of them were warranted, but I question whether we should have waited so long for these alterations. Last year there were heavy increases in motor registration fees. Again, I think they should have been imposed earlier and

should not be as high as they are. There have also been increases in railway freight rates and fares, and also enormous increases in the rents paid by Government employees occupying Government houses. I am not saying that some of these increases were not warranted in most of these cases, but it is a severe hardship when such huge increases are applied suddenly instead of being made gradually over the years. Increases or decreases should be imposed according to the times—whether they are good or bad. Country water rates were last fixed in 1925, almost 30 years ago. We only have to compare the value of money in 1925 with that ruling today to realize that obviously an increase is warranted, but it should have come earlier. The Treasurer said that costs had increased threefold since 1925. We can appreciate that; he also said that the revenue from water rates was not enough to meet running costs. If that is so, it is increasingly obvious that these increases should have been made a long time ago.

I appreciate that the proposed increase may make it possible for water to be extended to many farmers who at present are without adequate supplies. The Treasurer said it would enable them to have water without placing additional burdens on the State's finances. Country members are often approached regarding an extension of a water service either for an individual or a group of people. It will be agreed that such extensions are not easy to obtain. If, as the Treasurer says, the increased rates will enable water extensions to additional farms, it will be a good thing and one of the most effective ways of bringing about real decentralization. Unfortunately during the last few years, owing to the influx of people to the metropolitan area, the Govenment has had to undertake grandiose schemes to supply them with water. It would appear that the increased rates proposed will enable the Government to undertake more country extensions.

I am disappointed that more progress has not been made with the South Para reservoir scheme. I can remember that when the Minster of Works introduced the proposal he spoke of its magnitude and said it would be one of the greatest water conservation schemes in Australia, adding that he hoped it would be completed shortly. Unfortunately, owing to the shortage of funds, the scheme has taken longer to complete than was first expected, and instead of being finished in 1956, as originally planned, it has dragged on and no-one seems to know when it will be finished.

The SPEAKER—The honourable member is getting away from the Bill, which deals with rating.

Mr. JOHN CLARK—I hope the increase will not be more than 50 per cent, as has been mentioned by one honourable member. I must support the second reading because I believe the Bill will result in further decentralization and be of particular assistance to those who have been managing without an adequate water supply.

Mr. WHITE (Murray)—The object of the Bill is to increase charges for water reticulation. The supply of water to country districts is very important, mainly because it enables people in these areas to enjoy certain amenities which are already available to the metropolitan area. It results in the further development of a district because it eliminates the need for water carting where underground supplies are not available. Three schemes are under consideration in my district. They have been thoroughly investigated, but on the existing rating they would not appear to be economical. People in these areas are prepared to pay more than the ordinary rate in order to get a water supply, and if the Bill is passed it will lead to further development. I mention particularly the scheme required for people east of Monteith. They have cleared the land and planted pastures and are able to carry up to one sheep to the acre. However, they are faced with the position that the more they improve the carrying capacity of their country the greater their troubles become, because the need for water carting is increased. A reticulated water supply to this area will add to the pleasure of living, and help in the complete development of this area. Another area I have in mind—

The SPEAKER—The honourable member is discussing the development of land. The real question before the House is an increase in water rates.

Mr. WHITE—The point is that if we raise the rate the economics of the proposed schemes will be improved. Possibly it will enable the Government to give favourable consideration to them. I have been told that with the present rating our reticulation systems are losing money at the rate of £1,000 a day. That is a considerable sum, and it is something that we should feel disturbed about. No country can afford to have any public utility making such a large loss, and I agree with the honourable member for Gawler that possibly we should have considered revising the

rates before now. I feel there will not be much opposition to this measure because I have heard the opinion expressed by many people that water has been sold too cheaply. If the Bill is passed it will enable the Government to bring water to people who have not previously enjoyed this amenity. Unfortunately we have not been told how high the charges will be, but provided they are not too high the whole system will show a better return. I have pleasure in supporting the Bill.

Mr. PEARSON (Flinders)—This is primarily a Bill affecting country members to the extent that the proposed increases in rating will directly affect their constituents. I feel it is generally agreed that this Bill is inevitable, and if we are to be realistic in the matter of water rates in country areas, we must do something to bring rating into line with the present value of money to give some relief to the general taxpayer from the burden of the loss that has been incurred annually in country water schemes. I do not agree with the statements introduced into this debate that this matter has been delayed too long. It has been said that it would have been better had the Government increased water rates progressively over a period rather than allow a drift to continue until a material increase has become an urgent necessity. I believe that, in so far as the existing charges have been maintained out of the revenue of the State with some reasonable degree of comfort, it has been a very good thing that they have remained on a low level. Until recent years the areas that have been developed have been in urgent need of cheaper water. I am referring to the marginal lands, particularly the upper part of Eyre Peninsula and some of the mallee lands, although not so much to the latter because natural water supplies are usually available there. However, in many of the drier parts of the State it is impossible to maintain stock without reticulated water. The benefits that these farmers have obtained from cheap water over a period of years have been such as to enable them to rehabilitate themselves and become taxpayers of the State again instead of drawing various forms of relief from the Treasury. I do not agree that cheap water rates over a period of years has been a bad thing; I think they have been a good thing, and my regret is that we cannot continue to maintain them. Those of us who represent country constituencies, and I believe our constituents also, are seized with the solid arguments in favour of this Bill, and I think we should be prepared to support it. Of course, many arguments could be advanced against it that are relevant or partially relevant. We have often heard that the country is in a dangerous position because it is carrying too many sheep, but without cheap water we would have to adopt different means to carry even a percentage of the present numbers.

Mr. Hutchens—At the present price of wool?

Mr. PEARSON—That does enter into my argument at all.

Mr. Hutchens—I did not think it would.

Mr. PEARSON—The honourable member often makes wise remarks in this Chamber, but if he listened to me carefully he would have realized that even if the price of wool were twice what it is, that would not permit sheep to be run on drought-stricken country. Certain areas in this State are able to carry sheep only because of the provisions of reticulated water, not because of the price of wool.

Mr. McAlees—Could you give me some idea of the cost per head of sheep per year?

Mr. PEARSON—I am not concerned with that. I am sticking to the ambit of this debate and I am sure the Speaker would have called me to order if I were not.

The SPEAKER—The Bill increases water rates, and alters the authority for fixing them; that is all.

Mr. PEARSON—When speaking on the Budget last year I spent a little time commenting on water rating, and submitted figures to the House. The landowners it was proposed to serve by certain new schemes that are being laid down in certain areas entered into an agreement with the Minister to pay considerably more than the price prescribed in the Act that we are seeking to amend. The rate for country lands on most of Eyre Peninsula is 4d. an acre. The Public Works Committee on enquiry into the hundred of Shannon water supply recommended a rate of two and one half times normal rating, and the applicants were prepared to accept that. Even at that figure the return per mile of main laid in rates would be £53 if both sides of the main were rated. The cost of laying a 3in. or 4in. main of concrete lined cast-iron pipes, according to the information I have, is about £6,000 a mile. It must be borne in mind that there is no additional rating for the first mile back from the trunk main because that land is already rated off the trunk main. From these figures it will be seen that the return will be only .8 per cent on the capital expended in laying the main

without providing one gallon of water. If any justification is needed for this Bill, I think it is provided in these figures. We do not presume to attempt to recover from the users of water the full cost of its provision because it has always been considered, and I think very soundly so, that the indirect benefit to the State is probably as great as the direct return from the service. The total loss on the whole of the water systems for the last financial year, according to the Auditor-General's report, was £802,355. The loss in the Adelaide water district was £23,642, so £778,713 must have been lost in the country. The total earnings of the country water districts were £537,115, so it will be seen that the loss exceeded total earnings by £241,598. If we are going to make water schemes pay we will have to increase our country rates or earnings by well over 100 per cent. I know that that is not proposed, nor do I think it is justified, because I have already said I think the indirect return is a major factor in assessing the over-all return.

The Leader of the Opposition said that the Government had pushed on with certain country schemes regardless of cost and heedless of the results. That was rather a strange remark for him to make because, as long as I have been in the Chamber, he has been an ardent supporter of decentralization, and if anything assists in encouraging people to go on the land and stay there it is the provision of a water supply. I think that the Government has been fully justified in its very ambitious schemes for water reticulation and the over-all prosperity of this State is beginning to reflect the soundness of that policy despite the cost that has had to be borne in the interim by the general taxpayer. The Leader of the Opposition's contention that the capital cost of providing a water main should be a charge on the value of the land adjacent thereto is, to my mind, untenable, because it would not permit the development of virgin country.

The SPEAKER—I think the honourable member is now dealing with the development of land rather than the increase in water rates.

Mr. PEARSON—I was merely replying to the Leader of the Opposition. However, what I intended to say is apparent, I think, from what I have said so I will not proceed on that point. The actual rate proposed is not revealed in the Bill, and this leaves us somewhat in the dark. I think, however, that the Government will recognize the need for a continuation of a sound water supply policy and I have no fear that it will use its powers to the detriment of the people served. Water is worth more to the country community than is being paid for it today, so in fairness to the general taxpayer we must agree to pay more. I think most of our constituents are agreeable to doing that, and if we who represent them feel that way we should be prepared to say so. I support the second reading.

Mr. FLETCHER (Mount Gambier)—From my experience as a member of the Public Works Standing Committee this is a measure in which I concur, and I believe this step should have been taken years ago. On my first visit to Eyre Peninsula with the Committee when inquiring into water problems in that part of the State I was surprised to learn from the settlers what it was costing them for the cartage of water. I found that some of them were working round the clock at certain times of the year carting water with horse teams or motor lorries. Another thing that surprised me was the short life of water mains in some localities and the willingness of the settlers to pay more than the existing charges. This came as quite a shock to me, coming as I do from a district which has, perhaps, the best water supply in the State if not the Commonwealth, and where we were quibbling because we were asked to pay interest on the extra cost of a few chains of main because there were no settlers further on to help reduce the cost. We must consider the cost of relaying mains at a time when costs of labour and materials are so heavy. It is impossible for the State to carry the present burden and extend mains to supply the settlers requiring them without some increase in revenue. Mr. Pearson referred to the reticulation of water to land which a few years ago was used entirely for wheatgrowing, but today is used for mixed farming. Local water supplies do not exist and the only hope for the settlers is a reticulated supply. This applies also on Yorke Peninsula, where landowners often have good feed, but no water. Unless we can reticulate water in such localities there must be economic losses to both the settler and the State, but even though there is apparent loss on the actual works the State as a whole benefits indirectly by the reticulation of water. In my own district I have been told by many landowners that they are quite willing to pay more for water. Within two miles of Mount Gambier some land has been selling for as much as £400 an acre, yet it is rated at only 7d. an acre.

The Bill proposes that the Minister shall fix the new rate. I think this is a step in the right direction, but I hope the rate will not be too high. We know that renewals of mains must take place and that there must be further extensions and that we will have to carry the burden of supplying water from the Murray to the city. In addition it is clear that we are faced in the not distant future with a duplication of the Morgan-Whyalla main. I support the second reading.

Mr. WILLIAM JENKINS (Stirling)—I, too, indicate my support of this Bill, which is long overdue, although I am rather diffident in doing so, as we are not told what the increase may be. As Mr. Fletcher said I hope it will not be too high. Water is one of the cheapest commodities we enjoy and our production in recent years has undoubtedly benefited considerably from its reticulation. The losses we are experiencing on water schemes are too great for the State's economy and the charges must therefore be made more realistic. In several cases in my district reconditioning of mains is going on. The pipes have to be lifted, cleaned and re-cemented, which is certainly very expensive, so something must be done to help meet the cost. The raising of the charges will make it possible for more people to enjoy reticulated water supplies, so I shall not waste the time of the House further by speaking at length. With reservations as to the amount of increase I support the Bill.

Mr. QUIRKE (Stanley)—I support the measure, although it is something in the nature of a blank cheque. I trust that the Minister will not endeavour to recover the total amount of loss now incurred on country water schemes, because if he does so this legislation is foredoomed to failure. It is all very well to recover part of the interest on the capital cost, but I do not agree that it is necessary to recover a high rate of interest. There are many country schemes, particularly small extensions where half a dozen or perhaps a dozen farmers desire a service, that has been refused on the ground that in these days of high costs the return in rates would be only a fraction of the actual interest on the outlay. I support this Bill hoping that that position can be remedied and that it will enable such extensions to be made. There are one or two places in the State, one notably in my district, where I am hoping that the application of this legislation will be the means of putting water services into the area. The one near Clare is a locality that was impossible to supply from existing sources until the advent of the Morgan-Whyalla main because it was too high. The cost of pumped water is always heavy and whether it will be so under this system for this particular locality I do not know—I hope not. At present all pumped water from the Whyalla main in country townships such as Clare, is paid for at 1½ times normal charges, namely, 2s. 6d. a thousand gallons for rebate water and 1s. 6d. for excess water. With these charges one cannot afford to waste much water, and little is wasted. When it was first proposed to apply these charges in Clare some people may have felt disposed to vote against the scheme, but today not a fraction of one per cent of the people would want to lose that supply notwithstanding its fairly high cost. If the new rates will enable Black Springs, Waterloo and Manoora, and other places in my district, to get a new scheme, I am sure the people desiring the water will be pleased. I strike a note of warning. The increase in the rates could mean a very heavy additional draw on water supplies because the people will see that they take all the water to which they are entitled. If this extra draw-off takes place I hope the water supplies will not break down. In Clare, where some people now pay £17 and £20 a year in water rates, and have beautiful gardens, they will see that they get all the water possible under the increased rates. I hope there will not be an undue call on country water schemes.

The Hon A. W. Christian—That could be taken care of in the price of water per 1,000 gallons.

Mr. QUIRKE—Yes, and that raises a doubt about giving a blank cheque to the Minister. We do not know what will be the rate for country lands and what price will placed on water. In view of what the Minister said we may be going too far.

The Hon. A. W. Christian—That is not in the Bill.

The SPEAKER—The interjection was out of order.

Mr. QUIRKE—It was an innocent interjection but it puts a new light on the matter. I will vote for the second reading and I hope the position will be made clear in Committee. If it is not clarified my support for the measure may be withdrawn, but I hope there will be no need for me to withdraw it.

Mr. MICHAEL (Light)—I support the Bill because we must collect more revenue from users of water. Every reasonable person will agree with this because most of our best country lands that received water reticulation

years ago are charged only 7d. an acre, which is a low rate indeed. The variation is from 4d. to 7d. an acre; therefore, our most valuable land is not charged twice as much as some of the poorer land. The time has come for an alteration in the rates and I am sure that when the Minister uses his discretionary power he will take into account what I have said. If we raise the rates and increase the consumption of water there will be great difficulty in maintaining supplies in many places. Even now in a hot spell supplies fall away. I do not think there is anything in the Bill to give the Minister the right to alter the price of water but it would be a reasonable thing to do. In Committee I hope the position will be clarified. It is not fair that people now coming into a water scheme should be asked to pay two and a half times the 4d. to 7d an acre rate whilst those who were supplied with water two or three generations ago continue to pay only 4d. to 7d. an acre. The Bill will be accepted by reasonable people. It is best for the Minister to fix the rates by regulation.

Bill read a second time.

In Committee.

Clauses 1 to 7 passed.

Clause 8—"Imposition of water rates."

Mr. MICHAEL—By interjection the Minister of Agriculture suggested that the quantity of water used would be governed by altering the price. I can see nothing in the Bill to suggest that the Minister will have power to vary the price per thousand gallons. Mr. Quirke said that the increase in the rates would cause an additional demand for water, which present supplies may not be able to meet. Can the Premier state whether the matter has been considered and whether it is intended to alter the price per thousand gallons or only adjust the rate per acre?

The Hon. T. PLAYFORD (Premier and Treasurer)—At present under the existing system we cannot rate above a certain amount. The rate is on an acreage basis and is ridiculously low. The Government desires to alter the basis and make it more in keeping with present day costs of supplying water. We cannot afford to lose the present enormous sums of money each year in making water available. There is no provision in the Bill dealing with the rebate rate of water. The rebate rate at the present time is 1s. 8d., plus so much for excess water.

Clause passed.

Remaining clauses (9 to 13) and title passed. Bill reported without amendment. Committee's report adopted.

BUILDING CONTRACTS (DEPOSITS) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1433.)

Mr. DUNSTAN (Norwood)—I have much pleasure in supporting this Bill as I have some peculiar knowledge of the particular case from which these amendments arose in which a land agent, who had been extensively in business as a builder, failed to place moneys deposited with him in a special joint trust account. Unfortunately that was not discovered until shortly after the six months' period had elapsed and as a result he could not be prosecuted for what was an offence. The people who had been taken down on this occasion suffered loss to the extent of some hundreds of pounds. I am happy that the Government has seen fit to amend this provision, because it is obvious that in these cases it may be 12 months before it becomes apparent that an offence has been committed. Far too many builders have failed to comply with the provision and have left others to bear the burden. The only criticism I have of the Bill is that it does not go quite far enough. I would be happy to see some provision for a closer overseeing of builders' accounts. It would be better if accounts had from time to time to be presented by builders to the Minister in respect of moneys they have received for jobs they are doing. I am reluctant, generally, to put forward such proposals, but I do so in this instance because so many people recently have lost their life savings through the actions of builders who defaulted in respect of moneys deposited with them.

I think that eventually the Government will discover that the extension of time within which a complaint can be laid for failing to place money in a joint trust account is not sufficient to apprehend builders of this type and that something further will have to be done to see whether the moneys are being paid into accounts in respect of contracts builders undertake. If that is not done the more gullible members of the public may unfortunately be taken in in the future as they have been in the past and the small people who have over the years saved sufficient to build a simple home for themselves will be caught by rogues. I know of many people who have been caught by builders of this type and lost their life savings, and the homes they thought they were providing for themselves have not materialized. Some are facing old age and some are about to be married and they have

no homes to go to. I commend the Government for this move but question whether in the future some further move will not have to be made.

Mr. MACGILLIVRAY (Chaffey)—During this session I have brought to the Government's attention the actions of a so-called land agent who entered into contracts to build houses for people and received money in respect of such contracts but did not fulfil his responsibilities. I am not clear whether this Bill covers that type of person.

Mr. Dunstan—It covers all builders.

Mr. MACGILLIVRAY—There may be some confusion if a land agent contracts to build houses. If Parliament passes legislation for the protection of people and people rely on that legislation and the protection fails the position is worse than it would be if there were no protection. I would be pleased if the Premier would give some assurance on this point.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"Time for taking proceeding."

The Hon. T. PLAYFORD—When the Building Materials Act was in operation a clause was inserted providing that all builders receiving money on deposit for work which had not been commenced had to pay it into a joint trust account and it could only be drawn for the purpose of paying for that work. At that time people were requiring houses and many builders were taking deposits and not completing their contracts—indeed some were not starting them—and the unfortunate would-be home-owners did not have any redress. When that Act was repealed this clause, because it was regarded as operating successfully, was continued in operation, but it was overlooked at that time that whereas under the Buildings Materials Act there was a special provision for a period of one year in which to commence proceedings for breaches of the clause, under this Act the normal six months' statutory period applied. That is not a suitable time limit because frequently the commission of the offence is not known to the authorities until after the six months' period has elapsed. That was forcibly illustrated in the case Mr. Dunstan referred to. The authorities did not know until a few days after the six months' period that an offence had been committed, and no action could be taken. If the Bill is to operate, builders must know that if they receive money for the erection of a house it is not to be used for other miscellaneous purposes but is to be paid into a joint account and only drawn for the purpose of building that house. This Bill only provides for a longer period within which proceedings can be taken. It does not deal with land agents.

Mr. Stephens—Who polices the Act?

The Hon. T. PLAYFORD—Mr. Pollnitz, who was Director of Building Materials and is now secretary to the Minister of Agriculture, has been asked to continue the functions he originally exercised in connection with this matter. The Bill relates to moneys deposited for the erection of a specific building.

Mr. MACGILLIVRAY—What is the definition of a "building contractor"? The case I brought to the Government's attention related to a land agent who accepted money from certain people for the building of a house. Is he a builder or a land agent? Unless there is a precise definition we will be back where we started from.

The Hon. T. PLAYFORD—There is no difficulty about the definition. It applies to any person who accepts a contract to build a house. He may be a land agent or a hundred other things, but if he takes money in respect of a house he becomes a contractor under the Act.

Clause passed.

Title passed. Bill reported without amendment. Committee's report adopted.

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

WHEAT INDUSTRY STABILIZATION BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1434.)

Mr. O'HALLORAN (Leader of the Opposition)—This is the second debate on wheat stabilization that we have had this session. The first occurred after the Minister of Agriculture introduced legislation to authorize a ballot of wheatgrowers to be taken on the scheme which had finally been agreed upon by the States and the Commonwealth. In view of the decision of the Privy Council on the New South Wales Road Transport Case I wonder what would happen to a scheme of this nature if some farmer tried to sell his wheat in another State outside the scheme and had recourse to the law if he were prevented from doing so. I believe that only the benefits conferred by such schemes as these, particularly the benefits to farmers in Western Australia, who get a premium of 3d. a bushel on their wheat, and to consumers in Tasmania as a result of freights on their wheat being met by the mainland, deter farmers from going

outside the agreement. I stress that I am not hostile to the scheme. We on this side of the House have always believed in orderly marketing of primary products and have sought to establish a system under which primary producers have returns guaranteed on a living wage basis just as we have fought for the worker to be guaranteed a living wage. However, there are constitutional difficulties in the way and Labor, on a number of occasions, has submitted referendums to the people seeking to alter the Constitution so as to give the necessary power to organize orderly marketing to the Commonwealth Parliament, but almost without exception members opposite, whether they call themselves L.C.L., L.C.P., or any other name under which they masquerade—

Mr. Hawker—We preserve our individuality.

Mr. O'HALLORAN—When a man charged with a misdemeanour comes before the court and the prosecutor says he has been known by various names in the course of his varied career he does not get much sympathy from the court. Political parties who continually change their names should not get much consideration from the court of public opinion though, of course, it is not an effective court in this State because the Government has stultified its voice. Labor has steadfastly fought to amend the Federal Constitution so that the principle of orderly marketing could be established and so that it could resist any legal assaults made on it by interested sources. Although we believe in stabilization schemes and orderly marketing we do not believe that the producers of any primary commodity should be dragooned into accepting these schemes but should be given the opportunity by ballot to accept them. South Australian farmers overwhelmingly voted in favour of the wheat industry stabilization scheme, as well they might, for it is an excellent scheme from their standpoint. They will get a premium of 1s. 5d. a bushel above cost of production on wheat sold for local consumption.

Mr. Pearson—Is there anything wrong with that?

Mr. O'HALLORAN—I do not think there is anything right with it. I do not know why pig, poultry, or dairy farmers, who are feeling the impact of competition in overseas markets far more than wheat farmers, should have to pay to the wheatgrowers 1s. 5d. a bushel above cost of production. It seems to be one of those cases where the big battalions are the only troops to get consideration.

Mr. Pearson—There are margins paid in industry above the cost of living.

Mr. O'HALLORAN—The honourable member tries to side-track me. The basic wage is lower than the cost of living because since it was pegged the cost of living has increased. I assume the honourable member was referring to margins for skill.

Mr. Pearson—Partly.

Mr. O'HALLORAN—For many years the workers were denied a premium for their skill, to which they were entitled. Only recently that injustice was, to some extent, removed by decision of the Arbitration Court in the Margins Case. To what extent it has been removed is yet to be shown. Not only have the pig, poultry and dairy farmers received no increase in their margins for skill or in their reward for their contribution to Australia's surplus of primary produce for overseas, but under this legislation they have their reward reduced. In matters of this kind, therefore, it is the big battalions that count, and I do not like that because I have always believed that the small farmer, working his own holding appropriate to the type of production of which the soil is capable, is the backbone of the country. I have always been opposed to the big farms which must inevitably lead to the communist technique of totalitarianism and collective farming. I came from the land and from people who valued their independence even though they had to fight hard—as I had to in my younger days—to wrest a living from the land in districts where the rainfall was not propitious. We valued our independence just as these pig raisers and dairy and poultry farmers working their small farms value their independence today.

I do not like this type of legislation which forces the small mixed farmer to provide a subsidy of 1s. 5d. a bushel over the cost of production ascertained in accordance with a formula submitted some years ago by the wheatgrowers' organization. I realize that that organization has changed its ideas on the formula, as well it might in view of the enormous increases in country land values over recent years. I suggest, however, that we must look at the cost of production formula. I frequently hear the Premier and the captains of Australian industry saying that Australia must reduce its costs of production; but their remarks are always aimed at the workers in industry. They are the men who are expected to work harder and receive less in order to reduce costs, but if that policy were carried to its logical conclusion a stage would be reached where the local market for secondary production would be seriously curtailed and loss ensue.

In primary production, however, we have advantages of soil and climate that give us the opportunity of competing successfully in overseas markets, but, if those advantages are taken away by speculative bidding for land and a consequent rise in the price of wheat based on the cost of production formula, we will lose them.

I was a member of the Federal Parliament in the bad days of depressed wheat prices when farmers had to take as little as 1s. 4d. a bushel for their wheat at country sidings. Frequently we had deputations at Canberra saying what Parliament should do about the problem. One suggestion advanced was a scheme under which farmers would get 3s. 4d. a bushel—a price that would make them happy for ever more.

Mr. Pearson—What was the basic wage then?

Mr. O'HALLORAN—About £4 a week, but subsequently it was reduced to £3 3s. The basic wage today is 3½ times what it was in 1931, whereas the price of wheat has been multiplied by more than 3½ times 3s. 4d. since then.

Mr. Heaslip—The farmers could not get 3s. 4d. then.

Mr. O'HALLORAN—That is so, because the Tories in the Senate would not give it to them, but I referred to the price for which the growers asked.

Mr. Hawker—Labor Governments were in power in both the Federal and State Parliaments during the depression.

Mr. O'HALLORAN—Yes, but no fewer than three schemes proposed by the Federal Labor Government were defeated by the Tories in the Senate. I must support this Bill because it is on all fours with Labor policy, but I warn that the Australian milling industry must receive attention. I am not as conversant with conditions in that industry as is my colleague, the Leader of the Opposition in the Legislative Council (The Hon. Francis Condon), but I deplore the tragedy that has taken place in that industry throughout Australia and particularly in South Australia in recent years. I am not satisfied that the Wheat Board, working under the old stabilization scheme that is to be renewed if we pass this Bill, has done all it could to help the milling industry to hold its overseas markets.

Mr. Heaslip—The board makes concessions in prices to the milling industry.

Mr. O'HALLORAN—I am still to be convinced of that. The Australian milling industry is not inefficient. Mr. Conciliation Commissioner Morrison, who for a long time dealt with the wages and conditions of milling employees, said that the Australian milling industry was well organized and highly efficient. It is said that the Wheat Board has been selling wheat to the millers at concession prices, but I have heard figures to the contrary and of wheat being sold to one country at a price quite a few pence a bushel lower than the price charged to Australian millers to grist and sell flour to that country. We must consider this problem which should be of particular interest to country members because the closing down of country mills in recent years has been most deplorable. It has meant greater difficulty in procuring mill offal; even when procurable it has only been at greater cost, thereby helping to kill the small mixed farmer on whose behalf I speak. Under this scheme the Federal Government has guaranteed the cost of production, which is 12s. 7d. a bushel for 100,000,000 bushels of export wheat for five years. That is a pretty generous guarantee. I am not objecting to it, because it is on all fours with our policy, but no one knows what the future holds in store. It is pretty good security to have the cost of production guaranteed for that substantial part of our production, namely, 100,000,000 bushels, when we know that under this scheme roughly another 70,000,000 bushels is to be sold at the local price of 14s. a bushel. I am constrained to remark, as the Minister of Agriculture remarked, that I am dissappointed with the percentage of farmers who did not vote in the recent ballot on the wheat stabilization scheme. He had reason to be disappointed because it showed such a lack of interest in a scheme which was for their benefit. I hope farmers' organizations in future will not approach the questions of orderly marketing and stabilization with the idea of getting from the community the absolute maximum, but with recognition of the fact that they are partners in Australian production, particularly primary production, and partners with the workers who are prepared to pay them a living wage and a bit more for the goods they produce.

I hope there will be less mechanization on Australian farms in future, as I consider our farming industry is already over mechanized. We should be leading our country people along the road to diversified farming on small, personally managed holdings. I still believe the horse has its place in the farm work of this country. I know it sounds like a voice crying in the wilderness, but I do not think we can afford to spend more on mechanizing a farm,

which is the practice today, than it could have been bought for and equipped a few years ago. In the meantime I support the Bill to get the wheat industry going in the hope that in future we shall be able to organize it on better and more stable lines.

Mr. PEARSON (Flinders)—I listened with much interest to the usual thoughtful speech of the Leader of the Opposition. I have heard him make some very good speeches on the wheat question since I have been in the House, and this evening's contribution was no less thoughtful than usual. The first point he raised regarding the effect of section 92 of the Commonwealth Constitution was rather interesting. I think he made the suggestion that because this Bill embodied an agreement between the States to charge a certain price it was an attempt to get behind the Constitution. I know that commodities which are the subject of interstate trade come under the purview of that section, and that is specifically referred to in the clauses of this Bill. For instance, the marginal note of clause 5 is "Act to apply subject to Constitution." Our South Australian Parliamentary Draftsman is always most meticulous in observing the over-riding provision of section 92 in the Acts he has drawn up in relation to marketing. The Barley Marketing Act specifically exempts from its provisions any barley subject to trade between the States. Similarly in this Bill it is noted that clause 5 provides:—

(1) If, by reason of the Constitution of the Commonwealth, a provision of this Act, or a notice under a provision of this Act, cannot validly apply in relation to any particular wheat or class of wheat, that provisional notice shall be construed as intended to operate in relation to all wheat in relation to which it purports to apply, being wheat in relation to which it can validly apply.

(2) The last preceding subsection is in addition to, and not in substitution for, any other provision relating to the construction of Acts and statutory instruments subject to the Constitution of the Commonwealth.

I think we can say that the Parliamentary Draftsman has taken care of the position so far as that is concerned, and rather than this being an attempt to get behind the Constitution it is an attempt to see that the provisions of the Act align themselves properly with the Commonwealth Constitution.

This Bill comes to us as a result of the consistent effort of certain people to see that farmers could take advantage of it at the appropriate time. Wheatgrowers should be reminded that this Act and the benefits it confers are available to them largely as a result of the efforts of the Federal Minister for Commerce and Agriculture and the Ministers of Agriculture in the various States, the Minister in South Australia being no exception. For a long period, when the legislation was more or less held in abeyance during elections and at other times of political unrest, the Federal Minister preserved his Government's promise up to the present time when it could be put into operation. We should recognize the efforts of these people, particularly of the Federal Minister and the present South Australian Minister of Agriculture and his immediate predecessor in these efforts. It provides for two guarantees—for home consumption wheat and in respect of wheat exported. The home consumption guarantee has been fairly fully referred to by the Leader of the Opposition, but he did not tell the whole story. He told us that wheatgrowers were guaranteed the cost of production plus a profit for all wheat consumed within Australia, and he mentioned the price of 14s. a bushel. However, he did not tell us the present cost of production, which is about 12s. 7d. a bushel, and if world parity falls below the 14s. or the International Wheat Agreement, the reduced price will apply.

The Hon. A. W. Christian—That could readily happen.

Mr. PEARSON—That is so. I shall be rather surprised if in view of movements in world prices the price of 14s. a bushel is actually realized for the coming harvest, having in mind the huge surpluses which have piled up in some of the major wheat exporting countries; and when we remember that the United States of America is entering into contracts with certain importing countries to supply them with surplus commodities at very reasonable prices. Therefore, I shall be surprised if the price I have mentioned can be maintained. If it is not, the return to growers will be reduced accordingly. In actual fact rather than the grower receiving, as the Leader of the Opposition put it, a subsidy from the people of Australia while the export parity for wheat exceeds 14s. a bushel and the grower is pegged to 14s., in fact he will be subsidizing the home market to the extent by which the export parity exceeds 14s. Therefore, the boot is on the other foot. If the price falls below 14s., the grower will have to accept that.

Mr. Shannon—With a lower limit of 12s. 7d., or the cost of production at the time.

Mr. PEARSON—That is correct. When it comes to a question of subsidy, there is much the growers could say. For instance we should remind people that we were selling wheat on

the home market for 12s. a bushel when it was worth 18s. overseas, but perhaps there is no good purpose in recounting history in that regard. I am not objecting to the 14s., because I think it is a very fair price under the circumstances. Furthermore, I consider that while the overseas price holds growers are entitled to some little advantage over and above the actual cost of production. I have yet to learn or to be convinced that it is the established practice in Australia for all goods to be sold on the local market at the cost of production. I do not think this principle actually applies in any other primary or secondary industry.

Mr. Shannon—Secondary industries are not so tied.

Mr. PEARSON—I agree that up to the present when we have had an expanding home market they have not been so tied, but the time is coming when industries, having satisfied the home market, will find themselves compelled to export in competition with overseas producers. The Bill provides for a guaranteed price of 14s. a bushel for home consumed wheat by agreement among all the State Governments. The second guarantee is in respect of exports up to 100,000,000 bushels in any one year. This guarantee is on the basis of the cost of production and is guaranteed out of two resources. The Leader said that the Commonwealth Treasury had underwritten this export guarantee, and although that is quite true it is only part of the story. The whole of the story is that out of any funds received by the Wheat Board in respect of export wheat which provides a return sufficient to meet it, a levy of up to 1s. 6d. a bushel will be taken from the growers. This will go into a stabilization fund of up to £20,000,000 to meet the Commonwealth guarantee in the first instance. The farmer must get the cost of production in any case, but if export parity permits it part of the surplus up to a maximum of 1s. 6d. a bushel will be paid into the stabilization fund.

Mr. Heaslip—He is only getting cost of production today.

Mr. PEARSON—As I compute it the cost of production is 12s. 7d. If he has to pay 1s. 6d. into the stabilization fund, wheat must realize 14s. 1d. It it does not the levy of 1s. 6d. will not be collectable and a lesser amount will have to be taken into the fund.

Mr. Heaslip—He will still get cost of production.

Mr. PEARSON—Yes. I do not know what the parity will be, or whether the 1s. 6d. will be deducted.

Mr. Shannon—That is not an arbitrary figure; it could be varied.

Mr. PEARSON—Yes, the Federal Treasurer could release the board from the obligation to levy 1s. 6d. I imagine that he would be the person to direct, because clause 6 provides that the Comonwealth Minister has the power to give directions to the Wheat Board.

Mr. Heaslip—What would happen with a harvest of 120,000,000 bushels?

Mr. PEARSON—I do not know. The guarantee is only in respect of 100,000,000 bushels and I imagine any surplus would have to be sold at export parity prices. There is no guarantee for that; it would have to be sold for what it could bring.

Mr. Quirke—Is there any power to impose a levy of less than 1s. 6d. provided that it does not bring the price below 12s. 6d.?

Mr. PEARSON—I presume a discretion could be exercised, and that 1s. 6d. is merely a maximum.

Mr. Quirke—Any portion could be levied provided it did not bring the return below the cost of production?

Mr. PEARSON—I imagine that is the position. The guarantee applies to cost of production and the levy would not be met if the price were below. That is a second guarantee provided to the grower in respect of his export wheat, and it will be financed in the first instance out of the wheatgrowers' own funds from the levies taken from their wheat. Therefore the first £20,000,000, provided export parity permits it to be collected, will be the first fund used to support the guarantee if and when it is required. It is possible that if the export price is low the Commonwealth Treasurer may be called upon, even in the first year, to meet the guarantee, but on the other hand if prices are buoyant the £20,000,000 or part thereof will be used first to underwrite the guarantee, and any subsequent requirements would be met out of the Commonwealth Treasury. The guarantee is made from two sources; the growers' own funds in the first instance, and the Commonwealth Treasury if required to make up any deficit. When we speak of export wheat, do we mean wheat surplus to Australia's requirements in any year, whether exported or not? Over the last few years, particularly the last two, much of our wheat has not been exported in the year in which it was grown. Undoubtedly it is export wheat in so far as it is surplus to Australia's requirements, but it has not been exported, so

it is considered to be export wheat, or does it become export only when it leaves our shores?

Mr. Quirke—I should think so.

Mr. PEARSON—Then the growers cannot receive payment for that wheat until the pool is finally wound up and computations are made.

Mr. Quirke—In a drought year that surplus would be used for home consumption.

Mr. PEARSON—That is so. If we have a drought, what is apparently export wheat becomes home consumption wheat because of the necessity for using it in Australia. Wheat-growers should bear in mind that apparently they cannot expect their guarantee to be fully effective in every year as there may be a lag for which they would have to provide while awaiting the operations of that particular pool to be completed to enable a payment to be made to them.

The Hon. A. W. Christian—Advances would be made up to the limit for that year.

Mr. PEARSON—Yes, advances would be made on the basis that the Treasurer would endeavour to keep the industry alive during the period of waiting. However, one should make some comment on that because it might disabuse wheatgrowers' minds if such a difficulty should arise. Apart from one or two minor matters that the Bill envisages, I think it is a good measure and of considerable advantage to growers. There are small incompatibilities in the legislation to which I shall refer. In the first instance it is provided that Western Australian wheat shall carry a premium of 3d. a bushel over and above the wheat of South Australia and the eastern States. The justification for this is said to be that Western Australia, being nearer the markets to which Australia normally exports wheat, enjoys a geographical advantage in respect of freight rates. That may be all right but on the other hand Tasmanian consumers will receive funds out of the pool because of charges incurred in shipping wheat from the mainland. In other words, two conflicting principles operate.

Mr. Hawker—The consumers pay for that because they pay more in Tasmania than on the mainland.

Mr. PEARSON—If that is so I stand corrected, but on my understanding of the second reading speech the freight to Tasmania will be paid by the board and it is not provided that Tasmanians shall pay a premium above 14s. for home consumption wheat. Some weight is given to that impression because of something that happened a few years ago in respect of freight to Tasmania. When the matter was finalized it was at the growers' expense.

Mr. Hawker—My impression was that it was at the consumers' expense.

Mr. PEARSON—Then I stand corrected. A matter that has caused a great deal of debate in the Commonwealth Parliament is that contained in clause 7 (2) which provides:—

> The Commonwealth Minister may give directions to the board concerning the performance of its functions and the exercise of its powers, and the board shall comply with those directions.

Although this involves a very important question of principle I do not think I need say very much about it because if the Commonwealth Treasury is to be the underwriter of this guarantee it is only natural that this provision should be in the Bill, even though it may not be required.

Mr. Shannon—I think the direction will probably be along the lines of what is to happen to the fund that is to be built up.

Mr. PEARSON—If the Commonwealth is to underwrite the guarantee, obviously a Minister must have some over-riding power in regard to the operations of the board. I hope the Commonwealth Minister will not put himself in the position, by unnecessary interference with the board's operations, of being chargeable with blame if something goes wrong with the board. If something should go wrong and the board's return to the growers works out badly, he could easily find himself being blamed rather than some other authority. The Wheat Board contains representatives of all sections of the grain industry. I believe they are competent men who know what they are doing and that they will be capable of conducting their business in a way satisfactory to the Minister. If that is done there will be no justification for any interference. Provision is made for the setting up of a separate fund in respect of the freight charges to Tasmania. The Minister referred to this in his second reading speech and said that if at the end of the season it is found that the amount appropriated for this fund is greater than the actual outgoing, the balance will be used to benefit the wheat industry. I have heard that phraseology used in respect of other Acts and I ask why it is necessary to create a special fund for this purpose and why the board does not pay the actual freight charge as it occurs.

The Hon. A. W. Christian—The board is empowered to charge up to 1½d. a bushel more on home consumption wheat in order to get this fund established, and the fund is to be used for that specific purpose.

Mr. PEARSON—That does not answer my query. If the freight to Tasmania is a charge against the board, why does it not pay the charge as it occurs?

The Hon. A. W. Christian—Money is appropriated for the specific purpose by an extra charge on home consumption wheat. It is in the Federal Act.

Mr. PEARSON—I do not think it is necessary to create a number of funds which require special accounting and which have to be exhausted if a surplus is not to remain. There are always surpluses in funds and they have to be utilized in some way or another. Often it means that a few thousands pounds remaining in a fund is used to set up a grandiose or futuristic scheme for investigation purposes, which may or may not be justified by circumstances. If there is a way to avoid setting up a special fund, even although there may only be a small surplus in it, it should be adopted. I accept the Minister's explanation.

Mr. Quirke—There is scope for the spending of money in relation to wheat.

Mr. PEARSON—That may be so. There is always scope for spending money and there is always someone with a ready-made proposition. This is a good Bill. The growers should have expressed their appreciation of it to a greater extent than they did in the ballot. The 52 per cent return of papers was not a good vote considering the benefits likely to be conferred by the Bill. The growers will be satisfied with it and they will give credit to the people who brought the scheme to fruition.

Bill read a second time.

In Committee.

Clauses 1 to 16 passed.

Clause 17—"Home consumption price of wheat."

Mr. HAWKER—There is a doubt who will actually pay the freight on wheat to Tasmania. It is said that the shipping of wheat to that State will be a charge against the Wheat Board. Can the Minister explain the position?

The Hon. A. W. CHRISTIAN (Minister of Agriculture)—The position is made clear in both the Federal and State Acts. An extra 1½d. a bushel will be charged on home consumption wheat and it will be paid into a special fund from which money will be taken to pay the freight charges on wheat shipped to Tasmania. If in any year it is found that the 1½d. bushel is more than is needed the board is authorized to charge a lesser amount. The consumers throughout the Commonwealth will pay the freight charges incurred in taking wheat to Tasmania.

Clause passed.

Remaining clauses (18 to 22) and title passed.

Bill reported without amendment. Committee's report adopted.

LEIGH CREEK NORTH COALFIELD TO MARREE RAILWAY AGREEMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1436.)

Mr. O'HALLORAN (Leader of the Opposition)—This is the fourth Bill I have had to discuss today. The other three Bills contained principles in accordance with Labor policy and the same applies to this measure. I wonder whether by some strange twist of chance the Government has changed its principles and will continue to implement the policy of the Labor Party. It is remarkable that on another occasion the Premier spoke about the dead hand of Socialism. I assure members that there is nothing dead about the Opposition and nothing parochial in its attitude towards measures for the well-being of the State. However, I regret that some of the good principles adopted by the Government have not been effectively and efficiently handled by it, and certainly not as effectively and efficiently as if Labor had occupied the Treasury benches. I recall that when the Stirling North to Brachina Railway Bill was before us, proposing that steps should be taken to secure the agreement of the Commonwealth Government to an extension of the broad gauge line to Marree, I pointed out that I could not imagine a worse place in Australia to establish a transfer depot for northern cattle than at the Leigh Creek North coalfield. I said also that there were natural advantages associated with Marree that should be considered, and that the broad gauge should be extended at least to Marree as soon as possible. Marree has water advantages that are not possessed at the present terminus at Leigh Creek North Coalfield. It also has commonage advantages—if one can dignify the extensive reserves in that area by that title—for the purposes of resting stock before they are entrained to the south, or during the period of waiting for transhipment from the narrow gauge to the broader gauge. Marree has been one of the traditional trucking points from the channel country in south-west Queensland

for many years. It has all those advantages and the extension of 61 miles is warranted by those circumstances.

I note, however, that there is a proposed deviation from the route of the existing 3ft. 6in. gauge line in that extension. There is some doubt in my mind as to whether that deviation is to be four or five miles. In his second reading speech the Minister said, "There will be deviations of up to four miles," but the agreement, which is the schedule of the Bill, states:—

. . . . but with such deviations, not exceeding five miles, on either side of the route of the existing railway as the Commonwealth Railways Commissioner may deem necessary or reasonable for the better conversion to standard gauge of the existing railway or for the working of the railway upon the altered gauge:

I do not think there can be any doubt that agreement is correct, so there is to be a permitted deviation of five miles and not four miles as suggested by the Minister. There are not many communities between Leigh Creek North Coalfield and Marree, but there are some small places. Some people have been induced to establish themselves on the route of the old line and I hope that the Commonwealth Railways Comissioner will not unnecessarily by-pass any of those communities. As they are South Australian communities occupied by South Australian citizens, I think this Government might have insisted on some safeguard in the agreement to provide that full and ample justification should be proved by the Commonwealth Railways Commissioner before a deviation which would result in by-pasing the existing established settlements is permitted. However, it is too late now to do anything about that, because the agreement has already been ratified by the Commonwealth Government and signed by the Prime Minister and the Premier of this State.

The conversion of the line will be of undoubted benefit, not only in bringing cattle from the north to the Adelaide market, but because it represents one step nearer to the ultimate conversion of the Commonwealth railway as far as Alice Springs which, as members know, is part of the standardization agreement entered into by the Commonwealth and this State some years ago. It also brings somewhat nearer to fruition the completion of the agreement between the State and the Commonwealth when the Northern Territory was ceded to the Commonwealth about 44 years ago. The Commonwealth then undertook to complete the railway, which had its terminus at Oodnadatta, to Pine Creek. Since then the terminus of the southern section has been extended to Alice Springs and the terminus of the northern section extended from Pine Creek to Birdum. There is still that long section between Alice Springs and Birdum which has to be completed and which, in my opinion, should be completed because the linking up of the north and the south by that section of railway is essential for the proper development of the north and for the defence of the north, particularly in view of the much greater importance the Northern Territory is assuming today on account of the extensive discoveries of uranium there. I suggest that in addition to honouring this agreement for this extension we should persevere and ask the Commonwealth to complete the conversion to Alice Springs and then to build a new section from Alice Springs to Birdum.

During the last session the member for Light (Mr. Michael) suggested that consideration should be given by the Commonwealth to the constructing of a spur line from Marree towards the channel country to overcome the great difficulties encountered in shifting cattle by road over that particularly dry section of the stock route between Marree and the channel country. I agree that that should be considered. I hope that with the passage of this Bill, which is eminently necessary, it will not be long before we reach a further agreement with the Commonwealth on the other two points I have mentioned. The extension of a spur line to serve the channel country will not only be of great benefit to South Australia, but to cattle raisers in the north who depend upon the fattening properties of the channel country to top up their stock for the local and overseas markets. I support the second reading.

Mr. MICHAEL (Light)—It affords me great pleasure to be able to speak in support of this Bill, but I only desire to emphasize what I have said previously about the development of the cattle country in the north and the part South Australia should play in that. I thank the Leader of the Opposition for his support of the suggestion I made last year and again a few weeks ago. Ever since Mr. Beattie made his report about 2½ years ago I have become increasingly concerned about the importance of developing the cattle industry generally and the part this State must play. I am pleased that the Commonwealth Government has agreed to continue this section of the railway to Marree. This Government should continually press for the completion of the broad

gauge to Alice Springs and for the constructing of a spur line to the channel country. There are 200 miles of gibber country between Marree and the channel country proper over which it is particularly difficult to travel cattle in dry seasons when there is little feed. After cattle have been on the soft channel country for some time their feet become soft and it takes a lot out of them when they travel over that country.

The extension of the railway this far represents a forward step, but I agree with the Leader of the Opposition that we should also press for the completion of the railway from Alice Springs to Birdum. That would be of extreme value from a defence point of view, but so far as the cattle country is concerned it is more important to build a spur line from Marree and possibly from Alice Springs towards the Kimberleys. I formed the opinion from my travels in that country that the big cattle stations are pressing to obtain means of transporting their cattle. I agree with Mr. Beattie that South Australia is the logical place to process export beef cattle. It is almost a week nearer the market and has an ideal climate for meat works. I hope the Government will press not only for the completion of the line to Marree, but for the further extensions as they will mean much to South Australia.

We are encouraging the beef industry in South Australia and it seems as though that industry has a great future. If we have facilities in the channel country and in the far north we shall be able to bring down cattle in much better condition, and when climatic conditions are not favourable up there we shall be able to fatten stock here. An article by a man named Fletcher, who has had wide experience in the cattle industry, advocated a railway from Dajarra to Bourke. Such a railway may be highly desirable, but it would be very expensive because many water courses would have to be crossed. The channel country is probably some of the best natural fattening country in the world. Cattle could be driven over that country and fattened as they travelled. They would not have to cross much hard country before being taken by rail to a meat works.

Mr. HAWKER (Burra)—I have much pleasure in supporting the Bill. I have mentioned several times in this House that although we have an agreement for building a direct line between Birdum and Marree it would go through much barren country and would not tap the best cattle country in the northern parts of Australia. Mr. Beattie said that Adelaide was the natural outlet for this cattle country, but the Australian Meat Board has continually pointed out that the railway line should be built from Dajarra and the cattle taken to Queensland. In supporting the remarks of the member for Light (Mr. Michael) I again urge that a railway be built so as to bring the cattle down to South Australia. I believe it was suggested that Wallaroo would be a good site for a meat works, but the point is that from a national viewpoint South Australia, not Queensland, is the natural outlet for cattle from our northern areas. In early inquiries two men, named Ryland and Day reported that the railway should extend eastward and come down from Birdum and through the Barkly tableland, which is one of the most fertile areas in the Northern Territory, then run east and south to finally link up with Marree. The South Australian Government should keep a close watch on this question and see that the railway is built to bring cattle to the natural outlet. It should not be constructed through barren country, thereby bringing little trade to South Australia, not taking the cattle to Queensland and the eastern States. The Bill is a step in the right direction. The broad gauge should be run from the channel country to South Australia, and I am certain it will be a great asset to this State.

Bill read a second time and taken through Committee without amendment; Committee's report adopted.

HIGHWAYS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 18. Page 1436.)

Mr. FRANK WALSH (Goodwood)—This Bill provides for an increase in the contribution paid by the Tramways Trust to the Highways Department for the use of roads by motor vehicles. At present the trust pays to the Highways Commissioner an amount equal to .17d. for every mile travelled by its motor vehicles, and £3,800 a year is contributed in this way. It is estimated that under the Bill the trust will contribute £22,000 as its vehicles will travel 5,300,000 miles a year. In view of the state of the trust's finances how will it find that amount? On the other hand the trust pays no motor registration fees on its vehicles whereas private operators must pay such fees. A petrol-driven Bedford bus carrying 40 passengers is charged a registration fee of £36 10s., whereas a diesel bus carrying

that number is charged double; but does a diesel bus cause twice the wear and tear to the roads that is caused by a petrol bus? The trust has on order 70 modern diesel buses most of which will be completed during the current financial year, and it is proposed to call tenders for 95 more. If these were owned by private proprietors, a registration fee of £164 per annum would be payable on each, even though it carries fewer passengers than a double decker bus on which a fee of only £137 would be payable. If the trust again altered its policy to provide for a service by means of a light petrol bus carrying 40 passengers, the registration fee payable on each bus, if owned by a private firm, would be £36 10s., compared with the £164 payable on a diesel bus. Of those roads on which the trust's buses operate only one—Anzac Highway—is suitably constructed for the use of such heavy buses. Many roads along which the trust's and private buses run are most unsuitable for such traffic.

Mr. Hutchens—The roads were not constructed for that type of traffic.

Mr. FRANK WALSH—That is so. Can the Minister representing the Minister of Roads say whether a diesel bus causes more wear and tear on roads than a petrol bus? The Government and the trust should consider whether the proposed increase in contributions is not too steep at this stage. Indeed, a charge of three farthings a mile would mean a total contribution of about £16,000, and I consider that would be a fair contribution towards the upkeep of the roads. Further, it would be a saving on the contribution payable under this Bill. The Highways Department is responsible for the maintenance of the Anzac Highway. I should like to know what proportion of the funds will be used on this road. The wear and tear on Anzac Highway is necessarily lower than on some of the other routes to be used because they were not constructed for the purpose. I suggest that the Government consider imposing for a period of 12 months a lower rate than that proposed of 1d. a mile for each mile travelled by tramway buses. I support the second reading.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"Payment by Municipal Tramways Trust."

Mr. FRANK WALSH—In view of the trust's financial position I consider that the proposed increase from .17d. per mile to 1d. is too steep and that ½d. or ¾d. would be sufficient.

The Hon. T. PLAYFORD (Premier)—The amount proposed is acceptable to the trust. The moment it starts to pull up tramlines it is relieved of the obligation of maintaining them. At present it is heavily involved in maintaining roads on which its tracks are laid. If the amount were reduced as suggested an obligation would immediately be placed on taxpayers. The rate proposed is equivalent to what others would pay for registration and so on. It is true that if the trust had petrol-operated buses the registration fee would be a little lower, but petrol tax would have to be paid, which would go toward the road fund.

Clause passed. Title passed. Bill reported without amendment. Committee's report adopted.

ADJOURNMENT.

At 9.30 p.m. the House adjourned until Wednesday, November 24, at 2 p.m.