

## HOUSE OF ASSEMBLY.

Thursday, June 23, 1955.

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

### ASSENTS TO ACTS.

His Excellency the Lieutenant-Governor intimated by message his assent to the following Acts:—Supply (No. 1), Appropriation (No. 1), and Statutes Amendment (Public Salaries).

### QUESTIONS.

#### MOVEMENT OF WHEAT.

Mr. O'HALLORAN—It has been reported to me that the Wheat Board is railing wheat from its Gladstone depot to the Loxton mill. Will the Minister of Agriculture inquire whether this is so, and, if so, the reason for what appears to be an extraordinary action?

The Hon. A. W. CHRISTIAN—It could be, of course, that certain types of premium wheat are required at that mill, but I shall be glad to obtain a report.

#### HOSTEL CHARGES.

Mr. JENNINGS—Many British migrants are entering Australia, and already we have seen signs of discord between them and Commonwealth Hostels Ltd. Further, some British migrants who have been in Australia for a number of years are receiving summonses for alleged arrears in rent. I believe that much of this strife arises out of a proclamation contained in the *Government Gazette* of October 16, 1952, which exempted Commonwealth Hostels Ltd. from the provisions of the Prices Act. Will the Acting Leader of the Government refer this matter to the Prices Minister with a view to examining whether or not Commonwealth Hostels Ltd. should be again brought within the ambit of the Prices Act, so that it cannot raise its tariffs any further and exploit British migrants who are coming here to work under a fixed basic wage system?

The Hon. C. S. HINCKS—I am prepared to take up the question with the appropriate Minister but I think it would help if the honourable member could give me one or two concrete cases that could be dealt with.

#### MORPHETT ROAD.

Mr. FRANK WALSH—Early in May the Minister of Education and I arranged for an interview between the Minister of Roads and representatives of the Marion Council concerning the allocation of certain money to be provided by the Government for the completion of

Morphett Road. Will the Minister ascertain from the Minister of Roads whether that money can be made available?

The Hon. C. S. HINCKS—Yes.

### BULK HANDLING OF GRAIN BILL.

In Committee.

(Continued from June 15. Page 352.)

Clause 2—"Interpretation."

Mr. SHANNON—The word "depot" is used in the Bill but is not defined in this clause. It is a well known term commonly used in the bulk handling of grain, but many other well known terms are defined. The term "depot" generally applies to where wheat is stored when there is a carry-over for which there is no room at railway sidings. I do not know whether it is intended to apply the word in such a manner in this Bill and it would seem desirable to define it.

The Hon. A. W. CHRISTIAN—I do not think that is necessary. The word is applied to a place for the temporary storage of wheat. It is a term well-known in the trade. If we were to define everything we would have a Bill of many pages. I think its meaning is perfectly clear.

Clause passed.

Clause 3 passed.

Clause 4—"Power of Treasurer to guarantee loan to company."

Mr. O'HALLORAN—I do not know whether this is the appropriate clause on which to seek information concerning the expenditure the Government will be involved in as a result of the establishment of this system under which a co-operative company will provide storages at country receiving depots or agencies and terminal bins at the shipping ports. The Government will have to provide for the handling facilities between the bins and the ship's side at the harbour and also for the modification of railway rollingstock to carry wheat in bulk. This clause provides that the Government will guarantee half the amount of £1,000,000 to be lent by the Commonwealth Bank. Other expenditure, too, will be required. From the Public Works Committee report tabled yesterday it appears that £150,000 will be required for expenditure by the Harbors Board on loading and handling facilities on the jetty at Wallaroo and the Railways Department will be involved in amounts ranging from £196 each for conversion of open type trucks and £255 for closed type to £1,502 for flat type. Apparently this would involve heavy expenditure. As

the scheme develops and it becomes necessary to provide facilities at other ports the Harbors Board will have heavy expenses at each of them. Can the Minister indicate approximately the amount the State will be involved in as a result of financing these installations? I cannot understand why it is necessary for the Government to provide a guarantee of £500,000 if this is such a sound scheme as we have been led to believe during the debate, and the Commonwealth Bank loan is to be secured by the tolls imposed on farmers. If this clause is to stand we should know the conditions of the guarantee in the event of a failure by the company. Will the Commonwealth Bank step in and run the business of the company as the lender, or will the Government as the guarantor do so?

The Hon. A. W. CHRISTIAN—The matters mentioned concerning the Government's liability at port installations could be more properly discussed under clause 14. The guarantee carries with it all the usual obligations of any guarantee, namely, that in the event of default by the company the Government would be liable for interest payments and the repayment of capital according to the terms of the loan. The sole reason why the Government has entered into this guarantee is that the Commonwealth Bank required it. The Government agreed to it in the interests of the establishment of bulk handling for the wheatgrowing industry of this State. I do not envisage that the company will fail given the charter conditions envisaged in this Bill, but I assume that if it did the Government would have to undertake the running of the installations.

Mr. GEOFFREY CLARKE—Is it likely, under the terms of the agreement for the guarantee by the State, that provision will be made for the Commonwealth Bank to first take action against the free assets of the company in the event of difficulties arising or will it first ask the State Government to meet its guarantee?

The Hon. A. W. CHRISTIAN—The terms can be considered. The Commonwealth Bank would have a mortgage over the assets and the moneys raised by the tolls, which would be a help to it.

Mr. SHANNON—This is an important clause, because it pledges the State Government not for £500,000, but a much larger amount. The basis of the finance of the company is the toll system. The highest toll proposed is 6d. a bushel. There have been occasions when a difference of 6d. a bushel meant whether or not a

farmer could carry on. Nobody knows that we will not soon have a low price period again. The exporting countries of the world are holding 205,000,000 quarters of wheat. We do not know what their policy will be in the matter. There will be a marked effect on our economy if they decide to sell their surplus stocks. Everybody knows what happened in the last depression. It has been said that we shall never have another, and I hope that will be the position. We are concerned with the price that other countries pay for the wheat we export. It must not be forgotten that Australia is only a small fry in the overall picture. We should be careful about the way we approach financial obligations, because ultimately they may rest with the Government of the day. If wheat drops to say, 4s. a bushel, and we would be foolish to say that it will not, the farmers will not be able to afford the 6d. toll. They have been told that they will get their money back at some future date, but in times of low prices they will find it difficult to afford the 6d. We have had a number of Bills before Parliament for the purpose of assisting farmers and they have nearly all been due to the difficulty farmers had in meeting their obligation because of low prices.

It would be wise to include in the schedule to the Bill the Memorandum and Articles of Association of the company. The Leader of the Opposition wanted to know the basis of the guarantee, which is something on which we should have some information. It is said that the guarantee amounts to £500,000 but I do not think that will be the amount. If the farmers cannot afford to have the 6d. toll deducted from the proceeds of the sale of their wheat, and the company cannot carry on, it is obvious that there will be representations for the Government to take over the company, and that could be a serious embarrassment to it. I do not argue that the toll system proposed is not more than adequate to cover the cost of installing bulk handling facilities. Two progressive reports on bulk handling by the Public Works Committee have dealt extensively with the proposed revolving system of finance. On one occasion Mr. Seaman, Government Economist, analysed the financial proposals put before the committee by the sponsors of the company. Summing up he said, "In my opinion adequate finance for the actual installation of bulk handling throughout the State should be provided in the first 12 years on the basis of the tolls proposed to be charged." The evidence that Mr. Stott and his Secretary-Accountant (Mr.

Potter) tendered to the Public Works Committee was that there was no definite final date for the levying of tolls; in fact, Mr. Stott said that in Western Australia the current toll was  $\frac{1}{2}$  of a penny a bushel. However, since he gave his evidence those tolls have been increased because it is necessary to replace worn-out equipment.

Mr. Stephens—Will we be using the same type of equipment?

Mr. SHANNON—I hope not. The committee is not recommending that type. Tolls are necessary to enable the company to build silos or bins in various parts of the State and at ports. The committee's investigations showed that it will cost about £400,000 just to provide the bulk handling facilities at Wallaroo. I stress that once that money is invested in fixed assets it can no longer revolve or be paid back to the farmers. Mr. Stott told the committee that tolls will continue in the 13th year of operation. In effect, the farmer will be paying himself back some of the money he has paid in. In his second reading speech the Leader of the Opposition said that some farmers, in 36 years' time, will still be paying tolls, but at the same time they will be receiving some of the money they paid in the 22nd year. We have been told that the company will pay no dividends, but there are methods by which profits may be dealt with, so it is obvious that profits are expected to accrue to the company. Therefore, it will be charging farmers something in addition to the actual costs of operating the bulk handling system, unless the tolls provide something in excess of capital requirements. Mr. Seaman suggested that the tolls may be more than adequate for capital expenditure. I regret that the Government has not seen fit to thoroughly acquaint Parliament with the details of operation of the company. This is an appropriate Bill for investigation by a select committee, but I understand it does not fall within the category of a hybrid Bill because there is no profit to be made by any of the participants in the undertaking. The company's financial proposals will be a vital matter in the future in deciding whether the Government will have to step in and take over bulk handling if the farmers cannot afford to pay the tolls.

Mr. Travers—What is the basis of your complaint?

Mr. SHANNON—The only basis for complaint on this aspect is that the Government, if it has to take over bulk handling, will have to take over a horse it has never seen and does not know. I know the Minister can give

certain directions to the company with regard to port facilities, but country installations can be of many types. Parliament should thoroughly understand the financial proposals before granting a charter to the company. The revolving system of finance could lead to a state of affairs where there might be a revolt amongst the farmers.

Mr. Stott—No.

Mr. SHANNON—The honourable member is a super-optimist. I have been associated with farming long enough to know that a farthing a bushel has been a consideration to the farmer, and has decided his policy in disposing of his wheat. What will he say if prices fall and he has to pay 6d. a bushel to the company? If Wallaroo is the first division to be served by bulk handling every farmer in that division will face a toll of 6d. a bushel, possibly for a decade.

Mr. Travers—How much will the farmer save on bags and bag sewing?

Mr. SHANNON—Much less than 6d. I believe that bulk handling is desirable because it saves labour, but the day may come when farmers will complain that they cannot afford the continuing toll of 6d. a bushel.

Mr. MACGILLIVRAY—Although it may be true that the Committee's report was tabled late yesterday afternoon, most members, including me, have not had time to give it the consideration it deserves. The committee in its report recommends that certain mobile pneumatic units be adopted and a storage bin with a capacity of 1,000,000 bushels be constructed at Wallaroo but, if South Australian Co-operative Bulk Handling Limited is to spend the money, surely it should have the power to say how it shall be spent, irrespective of the committee's recommendation.

The Hon. A. W. CHRISTIAN—The committee's recommendations are relevant to the Bill, because the scheme was originally divided into two parts, one of which concerned the provision of loading equipment at overseas ports. The report deals with that aspect and recommends the employment of suction equipment. It also deals with the terminal bin to be established at Wallaroo, and I point out that the Bill provides that the terminal bins erected by the company shall be in accordance with the committee's recommendations. Further, this is only a progress report which will be followed later by other reports concerning the other overseas ports. The committee has done much valuable work in ascertaining the best type of equipment

and terminal facilities to install, therefore its recommendation has a definite bearing on the Bill.

Mr. MACGILLIVRAY—Is it mandatory on the co-operative to accept the committee's recommendations set out in the report?

The Hon. A. W. CHRISTIAN—In so far as they affect the company, yes.

Mr. MACGILLIVRAY—Is it fair to tie the farmers to the committee's recommendation? After all the committee may make mistakes, and the experienced wheat farmers who comprise the co-operative should be able to spend their money as they wish. In seeking to tell the co-operative how its money shall be spent, the Government is taking undue advantage of its position. The Chairman of the Public Works Committee (Mr. Shannon) pointed out the expense involved in the scheme, but he said nothing about the expenses incurred by the farmer in shipping his wheat in bags over the years during which the committee has been investigating bulk handling. The farmers themselves have decided that bulk handling is desirable, yet we are asked to consider an outmoded report.

Mr. Travers—Do you suggest we are bound by it?

Mr. MACGILLIVRAY—The Minister said so. Why should the farmers be tied in this way? They should be able to spend their money as they wish.

Clause passed.

Clause 5—"Directors."

Mr. TAPPING—This clause provides that the Governor may appoint two directors. As this measure involves a Government guarantee of £500,000, I hold the view that the word "shall" should be used instead of "may," thus making it mandatory upon the Government to appoint two directors. This is an enterprise which will have a very important effect upon the State and I want to be assured that the Government will make these appointments in order to safeguard its interests.

The Hon. A. W. CHRISTIAN—I can give that assurance without qualification, and the company has accepted that condition.

Mr. SHANNON—The Parliamentary Draftsman is drawing up an amendment which I propose to move, and I would like to give the reasons which actuate me. Parliament is being asked to grant a charter to a private company. I think I am correctly informed that one of the reasons why this Bill was not looked upon as a hybrid Bill and referred to a Select Committee was that it gives no privilege to any person or group of persons, since it is a

non-profit company. To make assurances doubly sure we should do as we do in other Acts of Parliament, namely, prohibit any member of Parliament from taking an office of profit with the company. By way of illustration, no member of Parliament is allowed to have a seat on the board of the Savings Bank of South Australia, as was the case with the old Adelaide Electric Supply Company, and I think they are in a somewhat similar category.

The Hon. A. W. CHRISTIAN—This clause deals only with the election of directors, and unless the amendment is relevant to the directors to be appointed I do not think it will be in order. Surely the honourable member does not propose that any member of Parliament who is competent and who is qualified by virtue of the fact that he is a grower and a member of the company, should be precluded from holding office in the company? For example, surely the honourable member would not suggest that the member for Flinders (Mr. Pearson) would not be a competent and worthwhile man to have on such a directorate. I do not think the Committee ought to accept the suggested amendment.

Mr. TRAVERS—I suggest that some confusion of thought prompts Mr. Shannon to move as he has indicated. For many years a provision of the Constitution has prevented any member of Parliament from holding offices of profit under the Crown, and that, seems to be an adequate safeguard. The only reason why members of Parliament cannot sit on the Savings Bank Board—and it applies also now to the Electricity Trust—is that they are recognized as quasi-Governmental concerns which are in a totally different position from that of a company which gets a charter or a guarantee. This is not a quasi-Governmental company, so it cannot be said to be the Crown, or hold Crown property. Mr. Justice Ligertwood, in a decision given as to the applicability of the Landlord and Tenant Act to property held by the Electricity Trust, said that it was provided that all property held by the trust should be held on behalf of the Crown, and for that reason it was a quasi-Governmental body. However, this is purely a private company which may have the good fortune to have a guarantee from the Government. The suggested amendment would create a dangerous precedent and we would be well advised to proceed as Parliament has done down through the centuries, recognizing the principle that is embodied in the Constitution.

Mr. SHANNON—In reply to Mr. Travers I point out that if this company receives a

charter it will involve the State in a very considerable expenditure. As to the suggestion that it is not a semi-Governmental body, I point out that the Bill provides for the Government to have two nominees on the board of the company.

The Hon. A. W. Christian—Only for so long as the guarantee remains in force.

Mr. SHANNON—That may be for a long time. While that provision remains the Government has more than a passing interest in the company.

Mr. Travers—Is it not similar to the Nairne Pyrites Company?

Mr. SHANNON—There the Government found four-fifths of the capital.

The Hon. A. W. Christian—It guaranteed it.

Mr. SHANNON—The Government is only guaranteeing this.

Mr. Travers—It is represented on the board.

Mr. SHANNON—Yes, by virtue of the guarantee. I do not know why this company should be compared with the pyrites undertaking because it is not in the same category. That is obviously a profit-making concern.

Mr. Travers—It is guaranteed by the State. I could name a dozen other industries in the same position, but no-one has ever suggested this principle before.

Mr. SHANNON—I suggest that the member is not facing the facts quite clearly. Parliament is asked to grant an absolute monopoly because no other company will be permitted to enter into competition. We are asked to grant this company a great privilege and I suggest that if this charter were to be put on the open market and there were permissible profits a number of wealthy companies would be interested. I have now received my proposed amendment from the Parliamentary Draftsman and I move to insert the following new sub-clause:—

No member of either House of Parliament of the State shall hold office as a director, officer or servant of the company.

Mr. MACGILLIVRAY—This amendment clearly illustrates that there are deep waters running beneath these discussions. Much has been said but there is much more that has not been said. I suggest that the shareholders are the only persons who should decide who should occupy positions in the company.

Amendment negatived. Clause passed.

Clauses 6 to 8 passed.

Clause 9—“Restrictions on trading by company.”

Mr. O'HALLORAN—Subclause (2) (b) provides that it shall be lawful for the company to sell wheat which has become damaged or wheat representing any excess of out-turn resulting in its operations under this Act. Can the Minister say whether this will conflict with the present practices of the Australian Wheat Board? As I understand the position, the board has receiving agencies in various parts of the State. Any excess of out-turn from the stacks is not the property of the receiving agent but of the board and as such the farmers benefit from the increase in weight which accrues to their wheat whilst in stack. This provision provides that in future the excess of out-turn will belong to the co-operative handling company. I think the company is only entitled to be paid fair remuneration for its physical effort in handling the wheat. The excess of out-turn should belong to the farmers, particularly today when the board is functioning.

The Hon. A. W. CHRISTIAN—The Leader is right in his understanding of this paragraph, but I point out that together with other provisions in the Bill, it is provided in case the Wheat Board goes out of business altogether, when we would revert to the former method of marketing wheat. In that case this clause would become operative. We must provide for that contingency. While the Wheat Board operates there is no excess of out-turn accruing to the company. It is the property of the Wheat Board.

Clause passed.

Clauses 10 and 11 passed.

Clause 12—“Right of company in respect of bulk handling of wheat.”

Mr. O'HALLORAN—This is probably the right place to inquire regarding the future of the bulk handling installation at Ardrossan. Will the company take it over immediately or, if at some future date, as mentioned by the Minister, the Wheat Board goes out of existence, will the company then take over the installation?

The Hon. A. W. CHRISTIAN—I understand the company has already entered into negotiations with the Wheat Board with the object of acquiring the Ardrossan installation and I believe the terms of acquisition are provided for in the agreement between the Wheat Board and the Harbours Board. When the change-over will be effected I do not know. That is a matter between the company and the board.

Mr. SHANNON—If negotiations are in progress for the purchase of the installation, it appears to me that under the articles of the company all growers on Yorke Peninsula delivering wheat to Ardrossan will have to pay a 6d. toll forthwith.

Mr. Stott—No.

Mr. SHANNON—If the honourable member is right, what about the unfortunate people at Wallaroo who will have to wait perhaps another year to get bulk handling, but will have to pay 6d. a bushel toll? That will mean that one section of farmers enjoying bulk handling will pay a toll on a basis different from that being paid by farmers elsewhere. Farmers on Yorke Peninsula should at least know what they will be up for before we finalize the question.

Mr. STOTT—The contract provides for a 3d. toll for the whole State for wheat, either in bulk or bagged. Subsequently, when a bulk installation is established and wheat is delivered in bulk the toll will be 6d., and for bagged wheat 2d.

Mr. SHANNON—That clears the position up. People delivering to Ardrossan will be paying 6d.

Mr. Stott—Not this year. I said the first year.

Mr. SHANNON—It is clear now that farmers on Yorke Peninsula will be paying a 6d. toll to the company in the very near future.

Mr. Stott—After the first year.

Mr. QUIRKE—The clause gives the company the sole right to handle wheat in bulk. I want the point clarified in relation to a miller who purchases wheat in the country and has his own facilities for handling it. What is the position if he wants to send the wheat to Adelaide or elsewhere by road?

The Hon. A. W. CHRISTIAN—I have some amendments to the clause which might help the honourable member to understand the point. I move in paragraph (c) of subclause (2):—

To delete “on his own premises” and insert “at his mill or factory or in accordance with a permit under this section”.

Representations have been made to me by millers, and the amendments attempt to meet their position. In some instances a mill is not adjacent to a railway line, but a miller has a storage depot at a railway siding and wants to be in a position to transport his wheat from such a depot to his mill premises. Under the Bill as framed he would be unable to store in bulk other than at his own mill, or transport the wheat in bulk. My amendment overcomes that position. It goes a little further because a miller on occasions buys

premium wheat—wheat of a stronger variety required for blending. He will be able to go further afield than his own district to secure that wheat. Other amendments I shall move provide that where the bulk handling company does not provide separate storage at its country installations for the receipt and storage of premium wheat, then the miller shall have the right to obtain a permit from the Minister to install his own bin at that place for the receipt and storage of premium wheats he seeks. He can only operate under this provision by getting a permit from the Minister, and therefore we do not throw the position right open and set up a rival receiving agency for the storage and handling of wheat in bulk. It is limited strictly to the miller's own requirements for gristing purposes. In an area where a mill was established with facilities for the receipt of local wheat the company would not have to provide the storage.

Mr. Quirke—It might be a district where there was no wheat with a premium value.

The Hon. A. W. CHRISTIAN—In that case there would be no need for a separate storage, but if a separate storage were required for premium wheat the miller would have the right to erect a bin and arrange the necessary transport.

Amendment carried.

The Hon. A. W. CHRISTIAN—I move to add the following new subclause:—

(2a) The Minister may grant a permit to any miller authorizing to do either or both of the following things, namely:—

(a) to erect bins at any place of receipt where the company does not provide separate storage for premium wheat in bulk, and to use such bins for the storage in bulk of premium wheat to be used by the miller in his own business;

(b) to transport or arrange for the transport of wheat in bulk from any bin erected or used by the miller to his mill.

Every such permit shall apply only to such mills, bins or places as are mentioned therein and may include conditions fixed by the Minister.

An act done in accordance with a permit granted under this subsection shall not be deemed to be a contravention of this section. The explanation I have already given covers this amendment.

Mr. SHANNON—In some areas bagged wheat will be obtainable for many years to come, and from them millers will seek some of their requirements. I think the words “or bags” should be added in order to make the position clear.

The Hon. A. W. CHRISTIAN—It is not necessary because where wheat is handled in bags the company will not operate. The licensed receivers will operate and the millers will get their wheat in bags as they do today.

Amendment carried; clause as amended passed.

Clause 13 passed.

Clause 14—"Duty of company to construct bulk handling facilities."

Mr. HEASLIP—I move—

To delete "by the Parliamentary Standing Committee on Public Works or"

The deletion of these words would make the Minister the authority to approve the erection of a terminal bin. If we agreed to the Public Works Committee approving the expenditure of money, public or private, it would be a departure in our legislation. The functions of the committee are set out in section 24 of its Act.—

The committee shall, subject to the provisions of this Act, consider and report upon all public works which are referred to it under this Act.

Then it says the committee must have regard to certain things in its consideration. No mention is made of the approval of expenditure. If the committee is to have that power the proper way to deal with the matter is to amend the Public Works Standing Committee Act. The committee already has its hand full, as has been shown by the time we have had to wait for its report on bulk handling. Surely the farmers have experienced enough delays in this matter of bulk handling and nothing should be done to cause further delays. The members of the committee do not set themselves up to be experts but obtain expert evidence. If the amendment is carried the Minister will be able to obtain expert advice, and he will be performing his proper function as he is answerable to the people whereas the committee is not. I do not think the committee should have the right to approve or disapprove of expenditure. As there is no mention of the committee in subclause (3) I cannot see why anyone should object to the amendment.

The Hon. A. W. CHRISTIAN—First, let me disabuse the honourable member on the functions of the committee in this regard. The committee is not undertaking any new function. The terms of reference are very wide, and provide, amongst other things:—

All questions relating to the project of constructing, establishing, and operating a bulk-handling plant or system for the receiving, transporting, and handling of wheat at Port Adelaide, Wallaroo, Port Lincoln, and

other places (if any) in the State, with supplementary plant therefor at sidings and elsewhere on the South Australian railways.

That involved the committee in the very definite obligation of working out and determining the type of installation we will have, and the Government is not prepared to ignore the valuable work it has done. All the clause does is to ensure that the plans and specifications of the installations are in accordance with the recommendations made as a consequence of the very wide reference. It is not in any way related to sanctioning expenditure of money. It involves the expenditure but the committee's approval is not in relation to that expenditure but in regard to the type of installation to be provided.

Mr. O'Halloran—Is it mandatory?

The Hon. A. W. CHRISTIAN—Yes, because the Government has made that one of the stipulations in the agreement with the company, and the company accepted it without qualification.

Mr. Stott—It is subject to the approval of the Minister.

The Hon. A. W. CHRISTIAN—If the Minister were asked to approve some alternative plan he would naturally refer the matter back to the Committee with a view to a possible amendment of the former proposal. I ask members not to alter this subclause because it is part of an agreement already made. Moreover, the committee has only reported on Wallaroo but it will also report on other ports covered by the reference. It has before it a specific reference relating to Port Lincoln involving an expenditure of about £1,000,000, part of which is for a bulk-handling installation. It also has a reference relating to Thevenard which also deals with bulk-handling, so we shall be obliged as a Government to have regard to its recommendations on every port as it comes up in turn. I believe that before long the committee will have a report on Port Lincoln, and that will have application to this measure. The bulk-handling installations for those places will have to be adopted by the company in providing terminal installations. Another reason why the installations should be very closely watched is that they have to be co-ordinated and dovetailed into the Government's own scheme for its part in the plan—the loading of vessels. It would be stupid if we permitted installations that could not operate in conjunction with our own equipment.

Mr. Heaslip—Do you not think the Harbors Board is the best authority to report on that?

The Hon. A. W. CHRISTIAN—The board is under Government control, and the Government provides money for its expansion programme. The provision in this subclause is nothing new. It does nothing to alter the Public Works Standing Committee Act nor does it alter the committee's present function; it merely ensures that the installations shall be in accordance with the committee's recommendation.

Mr. TRAVERS—I am completely in disagreement with the Minister as to the powers, functions, privileges and duties of the Public Works Committee. In my view the committee has no power to do what is proposed, and I accordingly support the amendment. The clause commences:—

(1) The company shall, with all practicable speed, erect adequate bulk handling facilities—

(a) at each terminal port.

The obligation to erect the terminal bins referred to in subclause (4) is not that of the Government, but of the company, which must do it at its own expense. In my opinion the Public Works Committee has no power to inquire into such a project. In section 3 of the Public Works Standing Committee Act we find:—

“Public work” means any work proposed to be constructed by the Government or any person or body on behalf of the Government out of moneys to be provided by Parliament . . .

“Public work” means any work proposed to be constructed by the Government, not by the company. The construction of terminal bins clearly does not fall within that definition. Section 24 of the Act deals with the functions of the committee and matters referred to it for inquiry, and says:—

The committee shall, subject to the provisions of this Act, consider and report upon all public works which are referred to it under this Act.

We cannot ask the committee to inquire into matters which are not public works, and although the committee has full power to inquire into expenditure the Government may incur upon wharves or jetties, it is outside its powers to do anything with regard to a matter which is the responsibility of the company. I believe any member of the committee would be entitled to take the stand, if this matter were referred to it, “This is not my job. I have been appointed under the Public Works Standing Committee Act with definite powers and responsibilities, and I shall not embark upon this inquiry.” I do not suggest there would be any mischievous delay, but we would be running the risk of another

eight years' delay if the committee members took that view. Section 26 of the Public Works Standing Committee Act states:—

Any question relating to any project whether a public work within the meaning of this Act or not, and irrespective of the estimated cost thereof, which, if carried out, will require the expenditure of moneys voted, or to be voted, by Parliament, may be referred to the committee by the Governor . . .

That is the limit of the committee's functions. The erection of terminal bins will not be done out of moneys voted by Parliament.

Mr. O'Halloran—But the Government will be spending £150,000 on port facilities.

Mr. TRAVERS—That may well be, and there is no objection to the committee's reporting on that matter. Indeed, it must report on that because it is the committee's function.

Mr. O'Halloran—The location of the bin will have a big influence on the Government's expenditure.

Mr. TRAVERS—Yes, but the committee has no power to deal with the suitability of the bin. Subclause (4) is completely unsatisfactory, even if the Public Works Committee had the power to approve of the terminal bins. This subclause names two authorities who may approve of the bins, but that would be unworkable. There should be one authority only. There will be no-one to decide what shall be done if the committee says one thing and the Minister another. The Bill gives the Minister the control over the Act, and subclause (3) gives him the same control over country bins. I can visualize a real difficulty if the Minister says one thing and the committee another, but no difficulty can follow if we carry the amendment, which would put subclause (4) in almost the same words as subclause (3). That would not rob the Minister of any of his powers because he would be at liberty to take advice from anyone he liked, including the Public Works Committee. Indeed, the Minister would have more power because there would be no danger of a stalemate.

Mr. DUNSTAN—With great respect, I must differ with the member for Torrens on the meaning of the Public Works Standing Committee Act. It appears to me that under section 26 the committee has power to consider a matter that would be referred to it under clause 14 of the Bill, because the erection of installations under the Bill must be a question relating to a project, whether a public work or not, requiring the expenditure of money voted, and the whole project of bulk handling will entail the expenditure of public money.



It is valuable for the Minister to have a committee to which he can refer such questions, because the committee has powers relating to the calling of evidence and the examination of questions, which the Minister does not possess; therefore, I support the clause as it stands.

Mr. SHANNON—Because I did not speak on the second reading and do not wish to speak on the third reading, I intend to speak at this stage, as this clause deals with the installation of bulk handling equipment. I wish to make amends for what may be considered the slowness of the committee in coming to a decision on this question. I pay a tribute to the present Minister of Agriculture (the Honourable A. W. Christian) for his untiring work as chairman of the Public Works Committee in investigating every possible avenue in an effort to solve a tremendous problem. Anybody with any idea of the economics of bulk handling will realize that, when wheat is divided into as many as six streams rather than dealt with through one channel, as is the case in Geelong in Victoria and as is mainly done in New South Wales, the problem is immense. The problem is peculiar to South Australia because of its geographical shape.

Mr. HEASLIP—On a point of order, Mr. Chairman, I have moved an amendment dealing with a certain point.

The CHAIRMAN—There is an amendment before the Chair. Is the honourable member for Onkaparinga speaking to it?

Mr. SHANNON—No, Mr. Chairman. I am speaking to clause 14.

The CHAIRMAN—Then I ask the honourable member to confine his remarks strictly to the clause. I am allowing a certain latitude with regard to the clause as a whole, and I would like honourable members to confine their remarks to it.

Mr. SHANNON—This clause deals with the duty of the company to construct bulk handling facilities. Am I entitled, Mr. Chairman, to discuss bulk handling facilities at this stage?

The CHAIRMAN—The honourable member is entitled to discuss the bulk handling facilities at the terminal points, which are mentioned in clause 14 (1).

Mr. SHANNON—Then in my opinion I am entitled to discuss the merits of the various methods of bulk handling, because we must consider what would be the most desirable form of facilities for an individual port, and from that angle I wish to say something

about the committee's recommendation. I draw members' attention to the table at the top of page 10 of the report, which sets out very clearly the economics of the belt gallery system compared with those of portable pneumatic plants. In the table a capacity of 300 tons an hour is used for the belt gallery, but I point out that this was the only belt gallery for Wallaroo on which a capital cost was submitted by a reputable firm. The committee did not have before it the capital cost of a belt gallery with a capacity of 400 tons an hour, which is required under modern conditions; therefore, I cannot say how much more than £355,000 the larger belt gallery would cost, but, obviously, something would have to be added. For that reason the comparison of capital cost in the report favours the belt gallery, because the ten portable pneumatic plants would be capable of handling 400 tons an hour. In order to equate the systems mentioned, one must consider eight portable pneumatic plants compared with a belt gallery with a capacity of 300 tons an hour. That reduces the capital cost of the portable pneumatic plants from £150,000 to £120,000. The standing charges on the two systems are about the same.

I understand from the B.H.P. Company that it paints its gallery at short intervals, sometimes every 12 months, but never at a greater interval than 18 months, depending on weather conditions. Obviously, where equipment must stand at the end of a jetty in the most inclement weather, no harsher conditions can be found, whereas the pneumatic equipment recommended in the report would be brought back to the shore and housed when not in use. The committee has adopted 12½ per cent as a reasonable charge for interest, maintenance and depreciation on either a belt gallery or a pneumatic system. Only two parts of the pneumatic equipment would be subject to wear: the spindle that drives the fan providing the suction, and the delivery end of the nozzle delivering the wheat. There is some friction at the end of the nozzle and it has to be replaced infrequently at a very small cost, so the maintenance of these units is very low. As to their suitability for Wallaroo I point out that the committee gave very much thought to the problem of getting wheat out of these 40 ton flat bottom railway trucks. We visited Geelong and, at the invitation of Mr. Glowrey, Director and General Manager of the Grain Elevator Board, inspected their installation. Two big bulldozer blades are operated from overhead mechanism so that they are dropped into the

truck and closed together, and the wheat is forced out of the centre door of the truck. We could not get the operational cost, but did not pursue the matter when we found that the unit cost £60,000 and one would not have been adequate to deal with the volume of wheat to be handled at Wallaroo. Furthermore, they have experienced breakages in operation, and, generally speaking, we were not impressed.

Then the firm of Strachan and Henshaw of England were given the task of trying to devise a tippler system similar to that installed at Terowie for handling coal, and after a long wait they advised us that the overall weight of the laden truck was too great for any gear that could be devised at a cost within our compass; of course, if cost is disregarded, engineers can devise gear that will handle anything. The suction units recommended serve the double purpose of cleaning up the truck and putting the wheat either into the ship's hold or into the shore bin, and their cost is very reasonable. The figures are shown in the committee's report, which is based on the assumption that 10 units would be used. However, I shall suggest to the Government that not more than eight be used in the first place because I believe that the Railways Department and the Harbors Board, by close co-operation, will be able to step up the through-put of the units to perhaps 45 tons an hour; they are capable of 55 tons an hour if working in a heap. I am very interested in a circular which has been distributed among members by the S.A. Growers' Co-operative Bulk Handling Co. Limited in which they give certain costs, comparing their proposed belt gallery with the pneumatic units. I am sorry I cannot agree with their estimates. The fact that they have no data to work upon has not stopped them from having a go at it; despite the fact that they do not know anything about it has not prevented their sending this circular into Parliament as some guide to members. I have never heard of such utter cheek. They put down the cost of operating a belt gallery at 2s. 2d. a ton. I would like to know if they are aware that the Australian Wheat Board has entered into an agreement with the B.H.P. Co. Ltd. for the use of its belt gallery at Ardrossan, which is approximately the same size as that which would be required at Wallaroo, at 9s. 2d. a ton. I have that information from one of the company's directors. If the through-put falls to 30,000 tons or less as the result of Wallaroo coming into operation the Wheat Board has then agreed to pay 9s. 10d. On the other hand,

the harshest possible approach to the pneumatic units is 3s. or 3s. 1d. a ton, so obviously the costs are in the order of three to one in their favour.

As regards the proposed amendment I should like to say how pleased I am to know that the Minister will do nothing foolish in this matter, for he probably knows more about it than any member of the committee at the moment; he has spent endless hours of his time pursuing information, and on this matter the Minister is demanding that the Public Works Committee shall approve the specifications for the shore installation. The design prepared by the Railways engineer, Mr. Bridgland, provides for hoppers parallel with the coast on the cliff facing the railway marshalling yard, and for the delivery of wheat through chutes into trucks standing at the foot of the cliff. It is desirable that a full rake of trucks should be capable of being loaded very quickly, so the chutes should be designed to provide for the expeditious delivery of wheat. Once the wheat is in the bin there are no costs of removal. The bottom of the bin is built with a slope of 28 degrees so that the wheat simply flows out. The site for the proposed bin is excellent. It is situated in Libya Terrace and there is a sealed road.

The CHAIRMAN—I do not think the honourable member can discuss the Public Works Committee's report at length on this clause. I ask him to confine his remarks to the clause.

Mr. SHANNON—I am referring to the type of port installation the company should operate and I agree with the Minister that the Public Works Committee's report should be the basis for deciding these installations. I have been giving details of the Wallaroo installation because it is the only one involved in this matter. As the Minister has demanded that the company should comply with the committee's recommendations I think I am entitled to refer to those recommendations.

The CHAIRMAN—I would ask the honourable member to make only brief references to them.

Mr. SHANNON—The advantages of this type of bin are most important to the wheat-growers. At Ardrossan a wheatgrower sometimes has to wait 24 hours before this truck is unloaded but with the design the committee suggests there will not be that delay. It is designed so that there are a number of unloading points.

Mr. Stott—Let us examine the designs when we have passed the Bill.

Mr. SHANNON—We should consider these matters before we rush the Bill through. There has been too much speed in getting this Bill through.

Mr. Heaslip—After eight years

Mr. SHANNON—If the member desires to criticize the Minister of Agriculture for holding up this report he is quite at liberty to do so. I have the utmost respect for the Minister and appreciate the work he put into this matter when he was chairman of the committee. That is a cheap jibe against an excellent Minister and I resent it.

Mr. HEASLIP—On a point of order, the honourable member said that I made a cheap jibe at the Minister of Agriculture. I never mentioned him nor implied anything against him and I ask that the honourable member withdraw the remark.

The CHAIRMAN—Will the member for Onkaparinga withdraw?

Mr. SHANNON—I did not want to offend, but obviously it was an unkind suggestion. The Public Works Committee has endeavoured to ensure that we do not make the mistakes that were made in Western Australia. Western Australia boasted about its cheap installations but has now discovered that it must rebuild many of its country installations which have been run right down. It is desirable that the Minister should have power to direct the type of installation to be erected because the time may come when the Government will own it.

Mr. HEASLIP—The Minister suggested that the retention of the words proposed to be struck out would not alter the Act, but the member for Torrens asserts that it will. I have spoken to the Parliamentary Draftsman and he agrees with Mr. Travers. The money to be expended is that of the wheatgrowers. I am a wheat-grower and will be supplying some of that money, as will the wheatgrowers in my district. If we supply the money we should not have to go to the Public Works Committee to seek approval before we spend it.

Mr. Stephens—The Government also has to expend money.

Mr. HEASLIP—The erection of terminals has nothing to do with the Government. They will be erected from money supplied by wheat-growers.

Mr. O'Halloran—Then why does the Government have to guarantee £500,000?

Mr. HEASLIP—That is a guarantee, but it does not mean that the Government supplies any money. A security of £2,000,000 is provided by the wheatgrowers. When the company is operating I assume its directors will be farmers

and I would prefer them to other so-called experts. Surely the wheatgrowers have the right to say how they will spend their own money.

Mr. O'Halloran—Remove the guarantee clause from the Bill and I will be happy with it.

Mr. HEASLIP—That does not come into this at all. The clause provides for approving of the expenditure of private money and, if agreed to, widens the powers of the Public Works Committee. It is not only the approving of the money spent at Wallaroo, but also of money spent at terminals at Port Pirie, Port Lincoln, Thevenard and Port Adelaide. If every time there are arguments and delays as experienced in connection with Wallaroo, the wheatgrowers might as well give away bulk handling. If the amendment is carried the Minister's powers will not be weakened, nor will one penny of the Government's money be endangered.

Mr. STEPHENS—I oppose the amendment. Obviously Mr. Heaslip is afraid to allow the Minister to ask the Public Works Committee to give him some assistance. If the amendment is carried the Minister will not be allowed to ask the committee to inquire into a project and supply a report. The honourable member is afraid that the committee will find out something he does not want it to know.

The Committee divided on the amendment—

Ayes (4).—Messrs. Heaslip (teller), Macgillivray, Quirke and Travers.

Noes (27).—Messrs. Brookman, Christian (teller), John Clark, Geoffrey Clarke, Corcoran, Davis, Dunnage, Dunstan, Fletcher, Goldney, Hincks, Hutchens, Sir George Jenkins, Messrs. Jenkins, Jennings, Lawn, McAlees, Millhouse, O'Halloran, Pattinson, Pearson, Riches, Shannon, Stephens, Tapping, Frank Walsh, and White.

Majority of 23 for the Noes.

Amendment thus negatived.

Clause passed.

Clauses 15 to 21 passed.

Clause 22—"Duty to receive wheat in bulk."

Mr. O'HALLORAN—This clause provides that the company shall receive all wheat in bulk which is offered to it, other than wheat inferior to the lowest grade prescribed. If the person offering the wheat is dissatisfied he has the right to have the matter referred to an official referee for decision. In the event of there being an appreciable quantity of inferior wheat in a year, and sometimes we have considerable quantities of it, what facilities will be available for its storage and handling?

The Hon. A. W. CHRISTIAN—It is not envisaged that ordinary inferior wheat—wheat on which dockages are made—will be rejected so long as it does not seriously depreciate the f.a.q. sample. On occasions there is an extraordinarily inferior sample that cannot be included in the general sample. The only way to handle that wheat would be to provide separate bins, which I think would be too costly, or receive it in bags, as is done in some States where there is bulk handling.

Clause passed.

Clauses 23 to 27 passed.

Clause 28—"Insurance of wheat."

Mr. GEOFFREY CLARKE—The clause says that the wheat shall be insured with a reputable public insurance company, which I think is proper, but is this a case where the singular includes the plural?

The Hon. A. W. CHRISTIAN—The provision will apply only when the Wheat Board goes out of existence, because the board insures the wheat itself. Provision is made for the remote contingency of buyers again coming into the field.

Clause passed.

Clause 29—"Handling charges for wheat".

The Hon. A. W. CHRISTIAN—I move—

To insert after "wheat" in subclause (1) "or other grain".

This is necessary because under clause 33 the company is empowered to handle other grain, but it will not get a sole right in connection with it. No doubt it will handle barley for the Barley Board at shipping ports. It is envisaged that when licensed receivers do not operate there will be a few places where bagged wheat must be handled. It would not be worth while a licensed receiver continuing his tremendous organization to handle only a few thousand bags of wheat a year.

Amendment carried.

The Hon. A. W. CHRISTIAN—I move—

To delete "handling" from subclause (1) and after "charges" to insert "separate charges may be demanded and recovered for the respective services performed by the company, or inclusive charges may be demanded and recovered from any two or more such services.

This makes it clear that the company is empowered not only to recover handling costs but such things as storage costs, and sometimes they are a substantial part of the total involved. It may be that only two or three services are rendered, and storage may not be involved. The provision is sufficiently wide to enable the company to assess the cost of the service rendered and then make the charge.

Amendment carried.

The Hon. A. W. CHRISTIAN moved the following consequential amendments:—

In the second and sixth lines of subclause (2) to leave out "handling" and in the fourth, fifth and seventh lines after "wheat" to insert "or other grain". In the first line of subclause (3) to leave out "handling," and in the fifth line after "wheat" to insert "or other grain".

Amendments carried.

The Hon. A. W. CHRISTIAN—I move:—

In the sixth line of subclause (3) after "Wheat Board" to insert "or by any other authority for whom wheat or other grain is handled."

That is partly a reference to the Barley Board or any other organization of that kind that might arise in future.

Mr. PEARSON—I take it this amendment covers the point I raised during the second reading with regard to the checking of charges of other organizations.

The Hon. A. W. Christian—Yes.

Amendment carried.

Clause as amended passed.

Clauses 30 to 33 passed.

Clause 34—"Regulations."

Mr. SHANNON—A very important principle is involved in the way by which a regulation can be made under this Bill. This is an unusual method of approaching this problem. We have a Subordinate Legislation Committee to keep an eye on regulations and advise the House from time to time as to their desirability or otherwise. The power contained in this clause for making regulations makes it obligatory on the Government first of all to have a recommendation from the company before promulgating any regulations. We are not legislating for a year or two: this Bill will carry on for a long time. Although it is all right for the Government to step in and make regulations if the occasion arises we should not debar our executive from the right to promulgate regulations without having it recommended by the company. I can visualize circumstances under which it would be desirable in the interests of the farmers for the Government to step in, but I would certainly like the Minister to consider this aspect. I cannot see any harm in the company having the right to approach the Government because there will be occasions when circumstances will be known to the company but not to the Government. However, to provide that no regulations can be promulgated without first a recommendation coming from the company seems to me to be entirely wrong.

The Hon. A. W. CHRISTIAN—We have given a great deal of consideration to this matter, and I frankly admit the position to

which the honourable member has alluded. It could work out that if the company made no recommendation for regulations governing any particular matter then there would be no regulation. That could happen if the company liked to be difficult but, when it recommends a regulation, it need not necessarily be adopted by the Government, because it could be amended. I have no objection to adding after "recommendation of the company" the words "or the Minister" if the honourable member wishes it.

Mr. SHANNON—I think that would cover my point, but I would prefer instead the deletion of the words "on the recommendation of the company." That would not deny the company the right to approach the Government, but it would mean that regulations could be promulgated without the company taking the initial step. That is the Minister's interpretation of the meaning of the clause as it stands, and it is an untenable position to ask Parliament to adopt. I move—

In subclause (1) to insert "Minister or the" after "the" second occurring.

Mr. PEARSON—I disagree with Mr. Shannon's interpretation of the clause. He said that a direction is involved on the part of one party, but I fail to see that there could be a direction from anyone to anyone else. The effect of the amendment would be that the Governor could make a regulation, on the recommendation of the Minister, entirely contrary to the wishes of the company. On the other hand, the company could suggest a recommendation entirely opposed to the wishes of the Minister. I oppose the amendment.

Mr. HEASLIP—I, too, oppose the amendment. Mr. Shannon has lost sight of the fact that the company will be using private money. If the Government supplied the money I would be prepared to let it entirely control bulk handling, but the growers will be supplying the money, so surely they should not take direction from the Government. I have heard of an agreement between the company and the Government. If there is one we should not depart from it.

Mr. STOTT—I hope the Minister will not accept the amendment, for it is contrary to what has been agreed to. If the company makes a recommendation which is unfair the Governor need not accept it. The necessity for this clause will arise particularly when the Wheat Board goes out of existence. If the company is then handling barley it will need to negotiate with the Barley Board before making recommendations to the Governor.

Mr. TRAVERS—Mr. Stott said that this matter had been agreed to, and, if that is so, we should not alter the clause. The amendment would alter it entirely because the Government could thrust regulations upon the company against its wishes and completely control the company by regulation.

The Hon. A. W. CHRISTIAN—There is no agreement on this matter.

Mr. Stott—There is an understanding between the company and the Government.

The Hon. A. W. CHRISTIAN—I suggest that we leave the clause as it stands and I will consider it further. If the Government feels there is some occasion for the amendment we will have it inserted in another place. I realize that on some matters it may be desirable for the Government to have power to make regulations, but I can see that in the general conduct of the company's business it should have the right to make its own by-laws. There are, however, points of contact between the two which may have to be provided for in accordance with the suggestion of the honourable member for Onkaparinga; therefore, if the Committee agrees, the clause will be left as it stands and the matter will be further considered.

Mr. SHANNON—I do not wish to deny the Minister a further opportunity to consider this matter, but under the clause as it now stands, merely by masterly inactivity on the part of the company no regulation need be made. The Government has some financial obligations under the Bill, namely the provision of all the shipping facilities, whether by belt gallery or any other method; therefore, surely the Government must be concerned with the protection that may be afforded it in this matter. I accept the Minister's assurance, however, and ask leave to withdraw my amendment.

Leave granted; amendment withdrawn.

Clause passed.

Clause 35 passed.

Title.

Mr. MACGILLIVRAY—I take this opportunity to express my disappointment at what has taken place in this debate, not because my district is interested in the bulk handling of wheat, but because it is interested in the co-operative movement.

The CHAIRMAN—Is the honourable member speaking to the title?

Mr. MACGILLIVRAY—Yes, Mr. Chairman. I have always believed that, if primary producers find the money to run a co-operative,

they should have the right to say how it is spent.

The CHAIRMAN—Order! The honourable member must stick strictly to the title; he cannot cover the subject matter of the Bill.

Mr. MACGILLIVRAY—That is the subject on which I wish to speak: the bulk handling of grain in South Australia.

Mr. O'Halloran—You could talk about that on the third reading.

Mr. MACGILLIVRAY—I do not want to speak on the third reading. I am entitled to speak on this aspect now.

The CHAIRMAN—I ask the honourable member to deal with the subject matter he has indicated; he must confine his remarks to the wording of the title.

Mr. MACGILLIVRAY—I take it, Mr. Chairman, that, because it is mentioned in the title, I can deal with the co-operative aspect, unless you rule me out of order.

The CHAIRMAN—I rule that the honourable member is out of order.

Title passed.

On the motion for the third reading,

Mr. MACGILLIVRAY (Chaffey)—

I take this opportunity of expressing my great regret at what has taken place during the discussion on this Bill. Probably no other district in Australia produces less wheat than the district of Chaffey, but on the other hand, no other district is more interested in the principles of co-operation and the handling of primary products by co-operation. It has given me a great shock to see a Government party that claims to represent country districts vote against the amendment moved by the member for Rocky River (Mr. Heaslip). The Minister gave as his reason for opposing the amendment that certain powers and responsibilities have been given to the Public Works Committee. What he did not say was that the reference to the committee was entirely out of date and had nothing whatever to do with the subject matter of this Bill. The reference was—

To inquire into and report on all questions relating to the project of constructing, establishing and operating a bulk handling plant or system for receiving, transporting and handling wheat at Port Adelaide, Wallaroo, Port Lincoln or other place in the State, with supplementary plant at sidings elsewhere on the South Australian Railways.

That was a scheme in which the Government was to provide the whole of the finance, but this Bill has no reference whatever to that, so the position is entirely different. The farmers are now to find the finance.

Mr. John Clark—Was it stated in the terms of reference that the Government was to find the whole of the finance?

Mr. MACGILLIVRAY—The honourable member knows that any project costing over £30,000 must be referred to the committee, so it must have been a Government scheme.

Mr. John Clark—It was nobody's scheme until the committee reported on it.

Mr. Quirke—It involved the expenditure of Government money and therefore became a Government scheme. That is why it was referred to the committee.

Mr. MACGILLIVRAY—The member for Gawler has not been here long enough to know the powers and responsibilities of the Government. In the meantime the farmers have come into the scheme and they will be responsible for finding the money. I realize that those who betrayed the farmers this afternoon are not very happy.

Mr. Riches—On a point of order, I think that is a reflection on members of the House who voted this afternoon and I object to it and ask that the honourable member be compelled to withdraw.

The SPEAKER—The honourable member will withdraw that remark as it is a reflection on members.

Mr. MACGILLIVRAY—There is no point of order because if nobody betrayed the farmers there can be no reflection on members. I did not say that any member had betrayed the farmers but simply said "those" who had; it is nothing but the consciences of members at work.

The SPEAKER—If the honourable member's remark falls on any member it is not in order and I ask him to withdraw it.

Mr. MACGILLIVRAY—Certainly. If you rule that way, Sir, I have no hesitation. All I said, as you know, was that those who had betrayed the farmers—

Mr. RICHES—The honourable member is repeating his remark and I think, with great respect, Sir, that you should demand an apology from him.

Mr. Macgillivray—What's wrong with you? Have you dropped your dummy or something?

The SPEAKER—I felt that the honourable member had withdrawn his remark and made an explanation. If the member for Stuart feels that it is not acceptable what does he wish?

Mr. RICHES—I think the honourable member should be required to make an unqualified withdrawal.

The SPEAKER—He did that and gave an explanation.

Mr. McAlees—And then repeated the offending remark.

The SPEAKER—What were the words complained off?

Mr. RICHES—"Those members who betrayed the farmers this afternoon."

The SPEAKER—That was withdrawn. What words is the honourable member now taking exception to?

Mr. RICHES—He use the same words immediately after he had withdrawn.

The SPEAKER—I did not hear that. If he said that I am sure he will withdraw.

Mr. MACGILLIVRAY—All I said was that if anybody took exception to my remark it was obviously because of a guilty conscience. I did not refer to any particular person.

The SPEAKER—That would not be in order. The honourable member cannot make any further supplementary reference and he will withdraw.

Mr. MACGILLIVRAY—Certainly, if that is your pleasure, Sir, but it does not alter my strong feeling on this legislation. I have pointed out that it is quite likely that the up-river areas will be coming to the Government for finance for further co-operative undertakings such as is provided for in this legislation, and if we have to accept the fact that the Public Works Committee can say how that money shall be spent—

The Hon. A. W. Christian—You are not getting any sole rights or monopoly.

Mr. MACGILLIVRAY—We always have had sole rights. The Government is adequately protected because it is going to put directors on this board who will keep it well acquainted with what is going on. Surely it would have been sufficient this afternoon to accept Ministerial control. As a matter of fact, I feel that what happened had little to do with the farmers of South Australia or with the company. This was simply a debate to save the face of the Public Works Committee which expended eight years on its inquiry, a delay that will cost the farmers £1,000,000 or more. After all this delay what are its recommendations?

Mr. Quirke—If it were not for the Farmers Co-operative Company the Public Works Committee would be as futile as it has been for the last eight years.

Mr. MACGILLIVRAY—Its only recommendation is that certain things be done in one port. What is going to happen if the farmers say they are not in favour of this

particular way of handling wheat? The Minister told us that, whether the farmers like it or not, the Government has power to make it mandatory on them to supply the money to carry out the wishes of a body that was not set up to deal with their problems. If that is so is it fair to charge the co-operative members with any losses that might be incurred by the company? They will not control the spending of their own money. There will be remote control of the company. This proposal is a stab in the back. The Government will be able to lay down the terms and conditions governing the expenditure of money by this company. I would oppose this Bill if it did not have the support of the farmers.

Mr. McALEES (Wallaroo)—When the bulk handling scheme is instituted at Wallaroo 350 men will be thrown out of employment. The Government has given no assurance that they will receive consideration and I am concerned about what may happen to them and their families. I appeal to the Government to do something for them. In the last few days we have heard frequent references to rents and tenants, but I point out that with the exception of 51 rental trust homes no one at Wallaroo pays rent. The people have invested their life savings in homes but now their livelihood is to be taken from them. As the Leader of the Opposition pointed out, for three generations the people of Wallaroo have lived entirely on the handling of wheat. If that source of employment is removed there is nothing left for them. It was suggested that they should come to the city and find employment but they cannot bring their homes down on their backs. I realize it is no good trying to touch the hearts of the Government because it will do nothing for these men. The residents of Wallaroo, Moonta and Kadina represented the backbone of South Australia when farmers were only getting 1s. 10d. a bushel for wheat, but farmers, who today are wealthy, have been able to get a guarantee of £500,000 from the Government. There have been industries in my district that could have continued operating with half that amount. The meat works was closed down because it received no encouragement from the Government. This Government will be responsible for what happens at Wallaroo, Moonta and Kadina. It could do something if it wanted to, but while it remains in office nothing will be done for my district. The sooner the Government gets out the sooner my district will

prosper. The writing is on the wall and I remind the Government that an election will soon be held. It is occupying the Treasury benches now against the wishes of the people. The Government's action in depriving these men of work and forcing them to the city will be remembered.

Mr. CORCORAN (Victoria)—Although I represent the electorate of Victoria I am concerned about the position at Wallaroo. I will not oppose this measure but I hope that the introduction of bulk handling at Wallaroo will not have such disastrous effects as are predicted by the member for that district. If his fears are realized I hope the Government will do something to counter the effects of bulk handling and perhaps establish a secondary industry in that town. I believe the Government will, and I hope it will justify my faith in it. I have heard that the Government proposes compensating the residents of Quorn for the diversion of the railway line from that town and I hope it will do something similar for Wallaroo.

Mr. DAVIS (Port Pirie)—I have no apologies to make for the vote I gave on Mr. Heaslip's amendment. I have the interests of farmers at heart just as much as Mr. Mac-

gillivray, as I have wheatgrowers in my district. When the scheme operates Port Pirie will be one of the largest receiving centres in the State. Mr. Macgillivray objected to the Public Works Standing Committee having certain powers, but he must realize that farmers under this scheme will have a monopoly of the bulk handling of wheat in South Australia. When the Minister of Agriculture was chairman of that committee he stated that a silo would be established at Wallaroo, that it would not pay the Government to have another at Port Pirie, and that all the wheat from the north would go to Wallaroo. We now find that instead of there being one receiving terminal at Wallaroo, others will be established at Ardrossan, Port Lincoln, Port Pirie and Thevenard, and for that reason I am fearful the scheme will not be payable. If, according to the figures given by the Minister, we could not run two terminals in the north, I do not know how we can expect to have five and still make it a paying proposition.

Bill read a third time and passed.

#### ADJOURNMENT.

At 5.34 p.m. the House adjourned until Tuesday, June 28, at 2 p.m.