HOUSE OF ASSEMBLY.

Thursday, September 22, 1955.

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

FRUIT FLY ACT AMENDMENT BILL.

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

QUESTIONS.

COMMONWEALTH-STATE HOUSING AGREEMENT.

Mr. FRANK WALSH—Has the Premier's attention been drawn to the statement in this morning's press about the Commonwealth Government's policy on housing? Does he agree with the policy proposed by the Prime Minister on the allocation of funds for housing, particularly in regard to the 20 per cent, and later 30 per cent, for building societies?

The Hon. T. PLAYFORD—I did not see the article but I have no doubt it refers to the communications that have been sent by the Prime Minister to the Premiers of all the States, in which he submitted the outlines of the proposal, with a further suggestion that this matter should be dealt with by a Ministerial Conference in due course. I understand that the Commonwealth Government is very anxious to promote as much home ownership as possible, and the provisions to which the honourable member referred are for that purpose. I do not know whether those provisions are particularly applicable to South Australia which, by legislation and administration has always given assistance to persons who want to own their own homes. As honourable members will remember, only two nights ago a very large amount from the State's own money was voted to enable home ownership to be proceeded with. That has always been the Government's policy, and from that point of view I do not believe there is any opposition in this State to a provision that would be designed to assist home ownership. However, there are one or two other matters associated with the proposals that appear to me to be fundamentally wrong from an administrative point of view, and but that this matter is still open for discussion at a Ministerial conference, when conclusions can no doubt be reached, I would give my views on them in some detail. As the matter is down for Ministerial discussion, however, I think it best to reserve a detailed statement until after that time, and at the conference try to get the agreement amended along the lines of what we believe it should be.

Mr. O'HALLORAN—Last Tuesday I asked the Premier a question concerning the terms of the proposed new Commonwealth-State housing agreement. He said he was having the matter examined and would be in a position to give further information later. Has he completed the examination and can he provide further information?

The Hon. T. PLAYFORD—Since the previous question I have personally released the report to the press and I think the Prime Minister has tabled the report in the Federal House. It has certainly been released from Canberra and comments have been made upon it by other States. It is now public and I have a copy of the Prime Minister's letter that I will be happy to let any member see. Briefly, the agreement may be summarized in this manner: It is to operate for five years; the Commonwealth is to make some money available to the States—not a stipulated amount—at three-quarters per cent below the normal bond rate; the States are to be responsible for repayment over a period of 53 years; the States shall lend a certain percentage of the money to Commonwealth-approved organizations; certain Commonwealth officers and returned soldiers will have some priorities; there will be no discrimination against migrants so far as housing is concerned, and the type of houses approved must have certain characteristics—for instance, no flats of over three storeys may be erected. There is to be a certain density of housing and there are a number of other controls of that nature. From an administrative point of view the position is that the State will borrow money and be responsible for repaying it but will have only a limited say as to how it shall be spent.

ST. KILDA WATER SUPPLY.

Mr. GOLDNEY—My question relates to a water supply to St. Kilda residences. This is one of the difficult areas from which water mains are some distance away and it would be a costly undertaking to extend them. However, I believe an investigation into the possibility of pumping water from a bore and supplying St. Kilda by this means has been under way. Can the Minister of Works inform me what progress has been made in this direction and whether there is any possibility of such a scheme?

The Hon. M. McINTOSH—The matter has been fully investigated. A main from the Barossa scheme would cost about £27,500. An underground supply designed to serve the township, would cost about £5,300. On the rates that could then be levied under the present scale of rating, that would not pay working expenses. The licence for the hotel will probably be transferred from St. Kilda to Salisbury, and this will affect the rate return. However, a complete schedule has been prepared indicating that a scheme would be feasible, using underground water to supply the township, and it shows the rates that should be levied to make it a feasible proposition. The taxpayers would even then have to contribute quite a bit towards the maintenance of the scheme, but that is not unusual. In this case rate contributions would be between £3 and £10 for each household in the district. I will have the complete schedule forwarded to the honourable member so that he can take up the matter with his constituents.

TAINTED POTATOES.

Mr. JOHN CLARK—On Tuesday, in reply to my question concerning the objectionable taste of certain potatoes, the Minister of Agriculture read a report from Mr. Strickland, Chief of the Division of Plant Industry, which attributed the taste to the use of gammexane. I was glad to hear that reason given; in fact, I believed that was the reason. I was also pleased to hear that there is no danger to health; but there is a danger to the pocket, for many pounds of potatoes bought could not be used. With great respect, however, I cannot agree with Mr. Strickland's statement that publicity given to the risks of using gammexane on potato crops has been heeded by growers, because, following on the publicity given to my original question, I have received several letters and at least two other members have told me of the concern in their districts about this matter. Potatoes are a most important item in our diet and are even included in the C series used in calculating the basic wage. For those reasons, and because I do not like the evidence pertaining to soil, will the Minister, in the interests of producers, retailers and consumers, consider the complete prohibition on the use by growers of gammexane, either as a spray or a powder?

The Hon. A. W. CHRISTIAN—That is a matter on which I cannot give an opinion at this moment. If there is no satisfactory substitute for gammexane in the control of pests or diseases that affect potatoes, we may not be able to dispense with it; but I will call for a further report on the subject.

Mr. QUIRKE—Gammexane is used to combat thrip in vegetables. The raw material smells like a mouldy bag and the potatoes taste like one after it has been used on them. It seems to have the peculiar characteristic of imparting its flavour and smell to vegetables. There is a product called lindane, a derivative of gammexane, from which all these taints have been eliminated. The officers of the Department of Agriculture know about this. Another point I wish to raise relates to potatoes themselves. Some of the high-producing types are of inferior quality and a lot of them are being grown in this State. I suggest that the Minister look into this phase as well as the question of eliminating gammexane and so eliminating taints. Will he make inquiries as to the quantity of inferior types of potatoes being grown in this State in relation to those of good quality?

The Hon. A. W. CHRISTIAN—We know that high-yielding varieties are the types that growers are tempted to produce and we cannot very well stop them. However, my department endeavours to get the growers to co-operate in growing the better varieties. To ensure that it may be necessary for the marketing authorities or the board to vary the prices to discourage growing inferior varieties, which is the only way that would ultimately be effective.

RADAR IN FISHING INDUSTRY.

Mr. TAPPING—Last Sunday's *Advertiser* contained the following report:—

> There is a large and profitable export fish industry waiting to be developed by Australia, Mr. W. Stuart, head of one of the world's largest net-making firms said today. Mr. Stuart, who is on a world tour, said in Adelaide that the development of echo-sounding equipment for "finding fish by radar" had enormously increased the potentialities for Australian fishing.

Has the Minister considered the use of radar in the industry with a view to increasing the production of fish?

The Hon. A. W. CHRISTIAN—Such equipment is in actual use in our waters in the Haldane Brothers' *Tacoma* for locating shoals of fish, so it is not unknown to our enterprise. It is questionable, however, whether smaller boats could be so equipped, as I think the vessel has to be of a fair size in order to bear the additional cost and for the equipment to be effective in operation.

FISHING BOAT HAVENS AT MOONTA BAY AND PORT HUGHES.

Mr. McALEES—It has been reported in the press, and correspondence I have received also suggests that the Public Works Committee will visit Moonta in order to take evidence on proposed fishing boat havens at Moonta Bay and Port Hughes. This has been promised for many years and the people are beginning to wonder whether the press reports are false. Can the Chairman of the Public Works Standing Committee give some idea of when the committee will visit Moonta, as the witnesses are ready to give evidence?

Mr. SHANNON (Chairman, Public Works Standing Committee)—The practice of the committee is always to have the story from the department concerned with a given project before seeking evidence from other sources. As soon as it has heard evidence from the Harbors Board in regard to these fishing boat havens the committee will visit Moonta for the purpose of taking evidence.

STATE'S TAXING POWERS.

Mr. TEUSNER—According to recent press reports the Premier of Victoria, Mr. Bolte, has extended an invitation to the Premier of New South Wales, Mr. Cahill, to support him in representations to the Commonwealth Government for the return of taxing powers to the States. Has South Australia, with other States, also been asked for support, and if so, is it proposed to hold a Premiers' Conference to discuss the matter? Furthermore, does the Premier consider that the return of taxing powers to South Australia would be beneficial to the State?

The Hon. T. PLAYFORD—I have had no communication from Mr. Bolte, nor do I believe that other Premiers, with the possible exception of Mr. Cahill, have been conferring with him. I saw the press report referred to, but whether or not it was factual I am unable to say. Certainly no Premiers' Conference has been called for or suggested by Mr. Bolte on the general question of the States' position under uniform taxation. I have mentioned many times in Budget papers that I believed it would be advantageous for this State again to have its own taxing authority restored to it, but in saying that may I add that I have always assumed that it is not to be an extra burden upon the taxpayer and that the Commonwealth Government would release a suitable field for the States to occupy. At present, of course, the Commonwealth is occupying the taxation field very adequately and if a State tax had to be superimposed upon the present levels it would be very rightly resented by all sections. However, assuming that the Commonwealth Government did forego its preferential right of collection and that it occupied a moderate field of income tax as it did prior to uniform taxation, I believe it would be highly beneficial for the State to resume its taxing powers.

Mr. O'HALLORAN—I understood the Premier to say that if the Commonwealth vacated a suitable field he would favour the acceptance by this State of a return of its taxing powers. Has he considered which field would be a suitable one?

The Hon. T. PLAYFORD—When I spoke of a suitable field, I did not mean what was suggested by the Commonwealth, that the Commonwealth would tax all the incomes above a certain level and leave the States all the basic wage incomes. I mean that the Commonwealth should reduce its income tax level by a certain percentage to enable the States to come into the taxation field again without increasing the overall level. At one time I had some figures taken out which, I think, show that the amount by which the Commonwealth should vacate the field was about 33 per cent.

PALMER WATER SUPPLY.

Mr. WHITE—Last year the old water system for the township of Palmer practically broke down and it was generally understood that the township would eventually obtain a supply from the Mannum-Adelaide pipeline. An application was made to the Engineering and Water Supply Department for a temporary supply for the summer and this was provided, but the people of Palmer are now anxious to know what plans the department has for making a supply from the pipeline permanent. Can the Minister of Works supply that information?

The Hon. McINTOSH—I have had several discussions with the honourable member and the members of the trust concerning this matter. As he knows, the supply to Palmer is under the control of a local trust. The connection provided from the Mannum-Adelaide pipeline last year to temporarily help the water trust has proved beneficial and is working to satisfaction of the members of the trust. River Murray water has backed up into the storage tanks and it has been unnecessary to operate the electric pump at the bore, although the windmill has supplied some water.

It is proposed to continue this arrangement which provides Palmer with a preponderance of Murray water. The conditions and charges under which water is to be supplied to areas along the Mannum-Adelaide pipeline are now under consideration and when a decision has been reached the question of providing a permanent supply of River Murray water for Palmer will be discussed with the members of the water trust and other interested persons.

SOLDIER SETTLER LIABILITIES.

Mr. MACGILLIVRAY—At the opening of the Returned Soldiers' Annual Conference the Premier was reported in the press as having said that he felt the sooner soldier settlers on the land knew their capital liabilities the more satisfied they would be and the more likely to be better settlers. This applies, as far as I am concerned, to those on the irrigation areas. On many occasions the member for Ridley has directed similar questions to the Minister of Irrigation, who pointed out that the whole matter was bogged down because of the discussion which had taken place between officers of the Commonwealth and the State department. Will the Premier take up this matter with the Commonwealth authorities with a view to expediting it? I feel that the settlers are getting somewhat unsettled and worried as to what the charges are likely to be.

The Hon. T. PLAYFORD—The State Government has already prepared its proposals on this matter and forwarded them to the Commonwealth Government for acceptance. We have not yet received a reply as to whether approval has been given, or whether amendments are desired.

Mr. MACGILLIVRAY—The Premier said that the State departments have done all that is possible to bring this matter to a conclusion. Will he take up this matter with the Commonwealth Government and see that it is expedited so that he can give satisfaction to the settlers by informing them what their liabilities are?

The Hon. T. PLAYFORD—I do not know what stage the negotiations between the State and Commonwealth Governments have reached, but I assure the honourable member that what he is now requesting was implied in my previous answer. Any State department that is finding it difficult to obtain a Commonwealth decision can forward the matter to the Premier's Department for attention. If it is only some interchange of information that is holding up the matter obviously there would be no point in doing so, but if there is some deadlock or undue delay the department naturally would inform me so that I could make representations.

PRICE OF CEMENT.

Mr. HUTCHENS—It was announced in the *Government Gazette* of January 13 that the price of cement was to be decontrolled. It has been reported to me that wholesale distributors had since increased the price of bags of cement by 3d. and still later by another 3½d. on lots of less than 120 bags. This, in effect, has increased the price of cement by 13s. a ton, and as few people order five tons at a time I ask the Premier to take up with the wholesale distributors the possibility of reducing the minimum size of orders that will not have to bear the increased price.

The Hon. T. PLAYFORD—Under price control cement was always regarded as a commodity in which a service was given to the public rather than as a profitable line to the merchants. Because of the handling of cement, they have not made the margins they enjoy on other commodities, it being held that cement is a base product on which it is necessary to keep the price down and cut the margin to the lowest possible level. I know adjustments have been made since price control was relinquished. This was discussed with me beforehand and the alterations were made to give a small marginal increase on very small purchases. On the other hand a corresponding adjustment was made on full sized parcels. In my opinion the alterations were fair and reasonable and I see no reason to take any action.

FINANCIAL POLICY.

Mr. STOTT—The Commonwealth Government has held a number of conferences recently on credit restraint, particularly in connection with the importation of goods from overseas. Can the Premier say whether Cabinet has considered carrying out the policy required by the Commonwealth regarding importations in order to halt the dangerous inflationary trend and, if so, which projects in the Loan Estimates will be affected?

The Hon. T. PLAYFORD—The State Government has had no communication from the Prime Minister regarding an alteration in financial policy. At the last Premiers' Conference the States agreed to assist the Commonwealth to the utmost in raising moneys required for loan programmes, and to relinquish as far

as possible unnecessary borrowing by semi-governmental authorities. Since the last Premiers' Conference the States have had no communication from the Prime Minister regarding any further alteration that may be deemed necessary.

MUNICIPAL TRAMWAYS TRUST.

Mr. LAWN—About two years ago representatives of an American firm of consulting engineers, DeLeuw, Cather & Co. of Chicago, came to Adelaide to report on modernising our tramways. As far as I can see, this report is more top secret than the Petrov report. Can the Premier say whether it is possible for a member of this House to look at the report and could it be made available to the president and secretary of the tramway employees' organization?

The Hon. T. PLAYFORD—The report was made to the Municipal Tramways Trust and consequently is the property of the trust. I do not know anything about its secrecy, but as a matter of courtesy a copy was sent to me for my examination, and as far as I could see it was a report that could be made available to members. I will ascertain the views of the trust in connection with the matter and advise the honourable member in due course.

FROST DAMAGE.

Mr. MICHAEL—Has the Minister of Lands obtained further information following on my question of Tuesday last about the sending of an officer to the Cadell area to assess frost damage?

The Hon. C. S. HINCKS—I have received the following report:—

The main plantings at Cadell are sultanas, currants, gordos, apricots, peaches and citrus. The frost damage to sultanas and stone fruits is very severe with near total losses of stone fruits in some instances. The damage to currants, where the vines have shot, is severe also. The gordo vines have not suffered to any extent as the buds have not yet burst but if further severe frosts are experienced there is little doubt that this variety will be affected. Little damage has been done to the citrus.

HOUSING.

Mr. JENNINGS—Has the Premier seen the report of the Government Statist which shows that for the last financial year fewer homes were built in this State than in the three preceding financial years? Does the Government realize that the need for houses is increasing tremendously and has it any plans to accelerate the building rate and so increase the number of homes available?

The Hon. T. PLAYFORD—The Government Statist's report is no doubt correct statistically, but of course it is necessary for members to understand the figures they read, otherwise they arrive at all sorts of misconceptions. Some of the figures would include a large number of imported houses and, of course, they were not produced in this State, but merely erected here. When the Commonwealth Government ceased to finance the programme of imported houses it meant that all houses in South Australia had to be produced by our own labour and materials. Big importations of houses are not now coming into the State or into the other States. The housing figures of all States show a slight falling off, and in some a severe falling off, owing to the reduction of imported houses and that, of course, is something outside the control of this State because the finance for those houses came from Commonwealth sources. For the honourable member's benefit I repeat the statement I made the other day, namely, that the South Australian Government is financing the building of more houses than any other State Government.

Mr. JENNINGS—After answering my question the Premier saw fit to mention the subject matter of the debate the other night. I accept what he said that this State Government has built more homes than the Government of any other State. I can assure him that I understood what was said and, what is more, I understand the very motive for phrasing it in that way. As the Premier saw fit to mention that, I now ask him whether it is not a fact that since the war the number of homes built in South Australia per thousand of population has never been the greatest among the States but has frequently been less than half way up the list.

The Hon. T. PLAYFORD—I will see if I can get the figures for the honourable member; also figures of the relative density of persons to houses in this State compared with other States. Of course, they would have to be analysed to be understood adequately. For example, in Queensland 80 per cent of the houses erected are timber-frame houses, and while they no doubt provide accommodation they have certain limitations, and are obviously not so durable as the more conventional type of brick, stone or cement dwelling being built here. About 80 per cent of the houses that have been built in South Australia are of solid construction.

WORKMEN'S COMPENSATION.

Mr. FLETCHER—Can the Premier say whether a female employee who had her hair caught in a machine during her employment and who was scalped, necessitating the wearing of a wig for the rest of her lifetime, and who will have a permanent scar, is entitled under the Workmen's Compensation Act to a lump sum payment in addition to the weekly payments received during her absence from employment? This woman cannot wear a hat, and before taking up her employment on a machine she was an attractive waitress of high standing.

Mr. Lawn—She could have been a receptionist?

Mr. FLETCHER—Yes, because she had the necessary ability and qualifications. So far she has only received her weekly compensation for being away from work. Has she any right to a lump sum to compensate her for being disabled for other employment?

The Hon. T. PLAYFORD—Without knowing the particulars of the case I would not venture to advise the honourable member because, of course, quite apart from workmen's compensation there are rights which can be established at common law in regard to industrial accidents. However, if he gives me her name, the name of her employer, and the type of accident I will ask the Factories Department's inspectors to examine the matter and I may then be able to advise him of her rights under workmen's compensation. Obviously, she must consult her solicitor on any rights at common law.

INTEREST RATES.

Mr. RICHES—Has the Treasurer seen press reports indicating that the Commonwealth Government is considering an increase in the interest rate to something over five per cent? I understand that this has been suggested by the director of the Commonwealth Bank and is being considered as a means of curbing inflation. Does the Treasurer consider that an increase in the interest rate would curb or add to inflation, and can he give the House the benefit of his opinions as to the effect higher interest rates would have on the State's finances and on housing?

The Hon. T. PLAYFORD—I have not seen the report, nor do I know whether it has any foundation. It has certainly not been discussed at the Loan Council, nor have I received any communications from the Commonwealth Government in regard to the future borrowings of the State that would lead me to assume that that change is contemplated at present. I am not disputing that there may be some ground for the report, but I do not know of any. Speaking generally, I have always held the view that in a young developing country interest rates should be kept as low as possible. A high interest rate is not in the best public interest because it would mean that many essential projects would have to be curtailed because of the losses that would arise.

Mr. Macgillivray—Governments can get all the money they want.

The Hon. T. PLAYFORD—I have not yet arrived at that happy stage sometimes referred to by the honourable member when I can get money for nothing.

Mr. MACGILLIVRAY—In his reply to the question by the member for Stuart (Mr. Riches), the Treasurer said, in effect, that he did not know where he could get money at a lower rate of interest. About 20 years ago a Royal Commission appointed by the Commonwealth Government inquired into the monetary systems of Australia. Its report stated, in effect, that the Commonwealth Bank could make money available to Governments and others free of charge. In face of that it would seem that it is important that Governments engaged on such important community projects as road making should have money made available to them at low rates of interest. Will the Premier remind the next Premiers' Conference of the statement made by this important Royal Commission and see whether it could be implemented? When the Commonwealth Bank was under the control of a chairman who was trained in private banking (Sir Denison Miller), it made money available to the Commonwealth Government at the interest rate of ¼ per cent and made a big profit on it. If we could get away from the present socialistic control of the Commonwealth Bank and back to control by someone trained in private banking, we might get some benefit. After all, it is a people's bank.

The Hon. T. PLAYFORD—I have studied the report and the particular paragraph referred to, but, although the Commission undoubtedly made that statement, its recommendations did not favour the course outlined by the honourable member, for although it made the startling discovery that our currency could be debased, it also realized that such action would involve us in undesirable consequences. In those circumstances, therefore, although I always like to help the honourable member, I am afraid that I cannot help him on this occasion.

SOLDIER SETTLEMENT.

Mr. FLETCHER—On August 24 I asked the Minister of Lands a question relating to soldier settlement and the position of a number of very good returned soldiers who were then anxious to have blocks but whose applications had not been made within the five-year limit. He was very sympathetic and agreed with me that something further should be done. Has he done anything further, and is there any likelihood of these men receiving consideration in the allotment of blocks?

The Hon. C. S. HINCKS—I took up this matter with the Federal authorities, and only this morning I received a reply from the Federal Minister, not agreeing with my proposal. I fully intend taking up this matter personally with him at the earliest opportunity in regard to certain applicants who through no fault of their own, were not able to apply within the prescribed time.

JUVENILE SEX OFFENCES

Mr. STOTT—Has the Premier's attention been drawn to the reported statement by a magistrate concerning the increasing prevalence of juvenile offences by what are known as bodgies and widgies and, if so, does the Government intend to amend the law by giving the police greater power under the Police Act to apprehend people who consort with offenders, in order to prevent the increasing prevalence of these offences?

The Hon. T. PLAYFORD—I think the difficulty in this matter is not so much the necessity to amend the law, but rather of more parental control and calling things by their proper names instead of referring to bodgies and widgies, which gives them a sort of notoriety.

Mr. O'Halloran—They are just plain hooligans.

The Hon. T. PLAYFORD—Yes, plain, dirty minded, little larrikins, and if we called them that right from the outset I think it would place a certain restriction on their joining in these activities. There is so much talk about the bodgie and widgie cult that prospective members are encouraged rather than deterred from joining. As far as I know, we have received no statement from the police that the law is inadequate to deal with such offenders. What we are more anxious about is to see that there are not the offenders to deal with.

HOLIDAY HOUSE RENTS.

Mr. TAPPING—Has the Premier a further reply to my question of September 1 concerning holiday house rents?

The Hon. T. PLAYFORD—The chairman of the Housing Trust reports:—

Section 5 (1) (*d*) of the Landlord and Tenant (Control of Rents) Act provides that the Act is not to apply to premises ordinarily let for holiday purposes only. It is provided that, if any letting of holiday premises extends beyond eight weeks, the premises, after the expiration of that period, are deemed not to be let for holiday purposes and thus become subject to the board. The legislation dealing with control of rents and evictions (both in this and other States) and the Commonwealth war-time regulations have always exempted holiday premises from control. Obviously an exemption is essential if holiday premises are to continue as such, as they are let frequently for short periods and, in instances, only during certain times of the year. Rents of holiday premises have always been in excess of the rents charged for ordinary premises. This has been due to reasons such as that tenants come and go at short intervals causing greater wear and tear than occurs in long tenancies, that vacancies between lettings with consequent loss of rent can occur and, in instances, that the premises are only let during certain periods in the year. There is no doubt that in many cases the rents being charged for holiday houses are high and if, as may be expected, the demand is great the rents will continue to be high. The rents can vary according to the seasonal demand; for instance, at Christmas the demand is very high and the rents are fixed by the owners accordingly. In instances, tenants of holiday flats take them because other accommodation is not available and they go from flat to flat after reaching the end of an eight weeks' tenancy. To reduce the eight weeks' period would not help these people; the result would be that they would have to move on earlier. I would suggest that if there is to be an exemption of holiday flats (and I suggest that such an exemption is necessary), the existing exemption cannot be whittled down satisfactorily. I would also point out that clause 3 of the Bill now before Parliament provides that a lease in writing of any dwelling for a fixed period is not to be subject to rent control so that, in effect, it is proposed that the landlords and tenants of any dwelling may agree upon the rents. In view of this policy of this clause I would suggest that there should be no change of the existing policy as regards holiday premises.

Mr. JENNINGS—I have had numerous reports that people, after spending eight weeks in one of these holiday houses and having nowhere else to go, have been told that they can stay at a hotel for one day and then come back and start another eight week's tenancy. This is one way of getting around the Act. Does the Act permit that and, if so, is it not an anomaly that should be rectified?

The Hon. T. PLAYFORD—I will have the matter examined.

CONSTITUTION ACT AMENDMENT BILL (ELECTORAL BOUNDARIES).

Adjourned debate on second reading.

(Continued from September 1. Page 719.)

Mr. O'HALLORAN (Leader of the Opposition)—This Bill embodies the recommendations of the Royal Commission on the redistribution of electoral boundaries appointed under the Act passed last year, and in order to get the matter in proper perspective I intend to refer briefly to that legislation, and to the very firm efforts made by the Opposition to improve the commission's terms of reference. Members will recall that we objected to the terms of reference on the grounds that they would prevent the commission from introducing a really fair and democratic distribution of voting strength. For that reason we opposed the second reading of the Bill and sought in Committee to amend it in two important respects. Firstly, to increase the number of members in the metropolitan zone so that we might get a little nearer to the true principle of democracy, namely, an approximate basis of one vote one value, which should be the lodestar of any country claiming to be a democratic one. Secondly, we sought to reduce the margin of tolerance which the commission was permitted to exercise in the redistribution of votes, the marginal tolerance being 20 per cent, as operates under the Federal electoral law.

I would point out, however, that there is a vast difference between the conditions obtaining under the Federal electoral law and those which the commission was appointed to deal with. The Federal law operates automatically as soon as a number of constituencies in the House of Representatives get out of balance, whereas the proposals submitted to our Royal Commission were to bring about a static redistribution. That is to say, a redistribution which, if implemented by this Parliament, will continue until such time as Parliament is pleased to alter the electoral law and appoint another commission in order to bring about an alteration of the electorates. With all these difficulties to contend with the commission is to be congratulated on the results of its deliberations. With the very great limitation on its power to do the right thing it has brought about as fair a redistribution of voting strength as was possible under the circumstances.

The districts and enrolments now proposed demonstrate emphatically that the Government's insistence on giving the commission power to use a 20 per cent tolerance was entirely unnecessary. The greatest variation from the average in the metropolitan zone is 7.8 per cent and in the country 12.5 per cent. It will be recalled that we argued that very point forcibly and the result is emphasized in the recommendations of the commission, which proved conclusively that we were right. The average variation in the metropolitan area is 2.9 per cent and in the country 3.8 per cent, those averages being, of course, the difference between the exact apportionment of the electors in the two zones and the Commission's findings. These facts clearly justify my contention last session that a 20 per cent margin was excessive, especially for the purpose of a static redistribution such as the Government contemplated, particularly in the metropolitan area.

The Bill represents the limit of democracy that can be expected from a Liberal and Country League Government which relies on the artificial distinction between the metropolitan area and the country and the disproportionate representation thereof, regardless of population, to maintain its control over Parliament. The country vote will still be worth approximately three and one-third times the metropolitan vote. This is the worst example of gerrymandering ever perpetrated by any Government in any English-speaking country. No doubt the Government will counter my argument by saying that this preponderance of voting power in country electorates is necessary to secure the proper development of country districts, but the very opposite has been the result in recent years. As the power of country voters has increased the population of typical country districts has decreased and I shall refer to a few characteristic country districts to show how they have failed to progress under this system of the preponderance of voting power residing in them. I have taken electorates which are, in the main, not subject to wide seasonal variations that might result in a loss or gain of population. They are electorates where there are no large industries which might employ a substantial number of people at any one period. In other words, they are typical country electorates; the type of areas supposed to benefit from this outrage of democracy that the Government has perpetuated down the years.

In the district of Burra there were 4,654 enrolments in March 1947, 4,336 in March 1953 and 4,122 in June 1955, a decrease of 532 from 1947. In Eyre there were 5,215 in 1947, 5,084 in 1953 and 5,055 in 1955, a decrease of 160. Of course we expect great things from

that district now that its respected representative has joined the Ministry, and no doubt there will be a renaissance in that district. I have grave doubts, however, that that renaissance will take place unless the Minister returns to his early love of true democracy and supports proportional representation.

The Hon. A. W. Christian—That sounds like hot air.

Mr. O'HALLORAN—I can remember when the Minister believed in that policy and would have been violently offended had anyone suggested that he was talking hot air. The district of Light had 5,792 electors in 1947, 5,430 in 1953 and 5,199 in 1955, a decrease of 593. Newcastle had 4,406 in 1947, 3,989 in 1953 and 3,802 in 1955, a decrease of 604. I remind members that in this period great development at Leigh Creek took place and an industrial population of considerable magnitude was introduced to that part of Newcastle. Had it not been for that development the rural population of the areas would probably have decreased by almost 1,000. There were 4,962 electors in Rocky River in 1947, 4,719 in 1953 and 4,594 in 1955, a decrease of 368. In Young, represented by our Speaker, there were 4,348 electors in 1947, 4,218 in 1953 and 4,149 in 1955, a decrease of 199.

Members may suggest that they are small figures, but I remind them that there is another aspect which has great significance, namely, that during that eight-year period there must have been a considerable natural increase in population in those districts. Young people reached the age of 21 and thus became eligible to vote. There would also have been some increase in population due to the extensive migration programme carried out, particularly in the latter part of that period. The districts I have mentioned failed to hold their natural increases or gain from the migration programme. This reveals conclusively that the Government's policy does not put people on the land, nor does it keep them there. In other words, it does not serve the purposes it claims should be served by giving country electorates a preponderance of voting strength as compared with metropolitan electorates.

The only virtue I can see in this Bill is that it does remove the disparities which formerly existed as between electorates in the respective zones because there were clear and startling disparities under the old system. I do not intend to weary the House by quoting them at length, although I have a full table of figures. However, I will quote the averages of the two zones in order to illustrate my point. Prior to the suggested redistribution the average enrolments in the 13 metropolitan districts were 22,300 and the variation from the average was 5,390, or 24 per cent. In the country the average enrolments were 6,657 and the variation from the average was 1,623, or 24 per cent. The average enrolments for both metropolitan and country electorates under this Bill will remain the same, but the average variation is only 641, or 2.88 per cent in the metropolitan area and 253 or 3.8 per cent in the country. That is the only factor which induces me to support this Bill. It does achieve approximately one vote one value within each zone. To that extent it is a great improvement on the present system, and therefore I support the second reading.

The House divided on the second reading.

The SPEAKER—There appears to be no-one on the negative side for the teller for the Noes (the Hon. Sir George Jenkins) to count; therefore under the Standing Orders the division is over. There being 31 in favour of the second reading, which is more than an absolute majority, the second reading passes.

Bill read a second time.

In Committee.

Clauses 1 to 4 and second schedule passed.

Third schedule.

Mr. QUIRKE—Under this Bill the name of Stanley for an electorate will go out of existence. I should like members to know how the name "Stanley" concerns the northern part of the district which I now represent. In the first place, it is situated in the county of Stanley, which extends almost to the town of Burra. Included in the new district is the town and area of Jamestown, which is in the county of Victoria. Stanley is a name which is well-known, apart altogether from our estimable friend, the present member for Burra, whose christian name is Stanley. It is not because of that that I wish to perpetuate the name, but because in the Clare subdivision the name is connected with so many businesses and areas. There is the Stanley Dried Fruits Association, the Stanley Wine Company and Stanley Flat, and the name is associated with the district in many other ways. Will the Premier consider a double-barrelled name for the Stanley electorate so that the name "Stanley" shall not be lost? The name of "Burra" is also deeply embedded in historical associations in this State and it is desirable for that name to continue. Perhaps we could have a hyphenated name such as "Burra-Stanley" or "Stanley-Burra." Hyphenated names are

used in the Federal sphere. "Stanley" has long been the name of an electoral district. Whilst the Clare people have no objection to the proposed alteration of the district they do not want the name "Stanley" to be lost.

The Hon. T. PLAYFORD (Premier and Treasurer)—In my second reading explanation I referred to the method used in naming the electoral districts. The honourable member has outlined a problem which all members must appreciate. Following on the inquiry several names long associated with our records disappeared. I do not think there is any political advantage to be gained from the naming of the districts.

Mr. Quirke—That is not the point.

The Hon. T. PLAYFORD—In naming the districts the Government desired to avoid any gaining of political capital. One or two principles thought to be proper were laid down, and where they could not be applied the Electoral Department was asked to suggest appropriate names. The same problem arises with the district represented by the Leader of the Opposition. He will have a large area of the State to look after. I think he gets an area from the district of Newcastle larger than he has in the present district of Frome. He received parts of several electorates. I am sorry that the district of Newcastle is to disappear. For many years a member of my family had the honour of representing it in this place. I do not think having a hyphenated name will solve the problem. I appreciate the honourable member's desire, but I do not think we can do anything. Even under his suggestion the name would not be "Stanley" but a combination of names; in effect, a new name.

Mr. HAWKER—With Mr. Quirke I regret the passing of the name "Stanley" for an electoral district. I regret it possibly more than he does because my father had the honour of representing the district of Stanley a good many years ago. It is interesting to note that in the very early days—in fact, when elections were first held in this State—there was only one district with a double barrelled name, and it was Clare and Burra. Mr. Quirke did not say that it would be advantageous for me to go to the electors with the slogan "Stanley for Stanley."

Mr. Quirke—I think that is a good reason for dropping the name.

Mr. HAWKER—If we have a double-barrelled name in one instance there can be no reason for not accepting double barrelled names for seven other country electorates, where the division between the two present electorates is perhaps more even than in the proposed new electorate of Burra. In that new district 4,100 voters have come from the present Burra district and 2,100 from Stanley. In the new district of Light, 4,000 voters have come from the present district of Light and 2,800 from Stanley, so a greater proportion of the present Stanley electors go into Light than into Burra. The same applies in Barossa, where portions of Gumeracha, Gawler and Light are included. In Gumeracha, there is an equal number of voters from the present districts of Onkaparinga and Gumeracha. In the new district of Rocky River, 2,000 voters have come from Newcastle and about 4,000 from Rocky River. I believe it is far better to leave the names of the electoral districts as the Electoral Office has suggested. After all the electorates are named purely for the purpose of holding elections. Electoral districts can be altered. As the Electoral Office has to conduct the elections it is probably the best authority to suggest the names.

Second schedule passed.

Third schedule and title passed. Bill read a third time and passed.

METROPOLITAN AND EXPORT ABATTOIRS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 1. Page 724.)

Mr. JENNINGS (Prospect)—On behalf of the Opposition, I indicate support to this Bill. There is not much I need say about it because the provisions to allow a quota of meat to come into the metropolitan area from country abattoirs are something with which we cannot disagree. It is obvious that if country abattoirs are to be encouraged it is necessary for them to have the right to work all the year round instead of only in the export season. As the Minister pointed out in explaining the Bill, it would be unrealistic to expect country abattoirs to continue to function unless there were some guarantee of all the year round production.

Mr. Macgillivray—And this measure was brought down to obviate strikes at the Metropolitan Abattoirs.

Mr. JENNINGS—It is interesting that although the Opposition has been advocating the encouragement of country abattoirs it

apparently took a serious industrial disturbance at the Metropolitan Abattoirs to convince the Government of the necessity of a Bill like this. I sincerely hope that that was not the only reason for the introduction of this Bill because when the strike was in progress the Minister said it showed the lack of wisdom of having all our eggs in one basket. I am confident that the establishment of country abattoirs will not be for the purpose of strike breaking, and I sincerely hope that the Meat Employees' Union will recruit all the employees for country abattoirs just as it does for the Metropolitan Abattoirs. In his policy speech made before the last elections the Leader of the Opposition mentioned the need for country abattoirs. He said:—

It will be in the interests of the people to establish proper secondary industries in rural areas, such as meat works.

That policy was, as we all know, subsequently endorsed by the great majority of the people. In 1952 the Leader of the Opposition, on behalf of the Labor Party, moved a motion for the decentralization of industry. Clause (*a*) stated:—

Whether industries ancillary to primary production, such as meat works, establishments for treating hides, skins, etc., and other works for the processing of primary products should be established in country districts.

That motion received scant consideration from the Government, the Government which now introduces this Bill. It was not prepared to accept the arguments of the Leader of the Opposition, who said:—

Meat works should be established in some country centres. The Hon. R. S. Richards, when Leader of the Opposition, moved on several occasions for the establishment of country meat works. Although on one occasion an inquiry was granted, so far nothing concrete has been done.

In opposing the motion the Premier said:—

The grazier knows he will get a better return by sending his stock to the Metropolitan Abattoirs than to Port Lincoln.

Mr. Christian, who introduced this Bill, then interjected:—

That is quite right.

That is another example of the Government opposing a move by the Opposition, but afterwards going at least halfway towards implementing it, though that is no reason why we should oppose this Bill. When he was explaining the Bill the Minister of Agriculture mentioned the strike at the Metropolitan Abattoirs, and I am sure all Opposition members, and members on the other side of the House too, were pleased to see the end of that serious industrial disturbance. I believe that now is a good opportunity for the Minister to review the actions of the Abattoirs Board, which I suggest did not come out of this dispute with very great credit. I would go so far as to say that the strike was provoked by the board in sacking two union delegates when attending a union meeting, and further provocative action was taken during the course of the strike that was certainly not calculated to encourage an early and amicable settlement. I am not suggesting that there were not faults on both sides; there always are in these matters. However, when a board is charged with running organizations, such as this it should show more responsibility than it did on this occasion.

The Hon. A. W. Christian—We could all go into history, you know.

Mr. JENNINGS—I admitted there were faults on both sides. The Minister referred to the matter when he was speaking on this Bill.

The Hon. A. W. Christian—I did not go into the faults of either side.

Mr. JENNINGS—I am not doing so either. This strike was settled only after intervention by the Minister, the Premier and the executive of the United Trades and Labor Council. I commend the Premier for his intervention, but I believe it should have occurred earlier because a stalemate had occured long before he intervened, and it was obvious that there would not be any settlement unless he did so. The Minister was questioned about the matter in this Chamber, and he said the appropriate authorities were there to deal with it. That is perfectly true, of course, but a sovereign Parliament should expect its Ministers, when they are responsible for a certain organization, to come into the picture and endeavour to reach speedy settlement in matters of this kind.

One feature of the Bill is that whilst it does permit conditions that will encourage country abattoirs, we have not been told whether there are any concrete proposals for the setting up of such abattoirs. The Minister mentioned something in a vague way about negotiations being resumed in regard to meat works at Kadina. That is a heartening sign, and I certainly hope that they will be successful.

The Hon. A. W. Christian—They were in hand for about two years before the introduction of the Bill, and the House was aware of that.

Mr. JENNINGS—I was aware of that. I do not know whether the Minister was in a position to tell us of any other negotiations that are going on for the establishment of a country abattoirs or whether this is the only one that is likely to be established within the foreseeable future, but there is no doubt whatever that the Bill is necessary to create the conditions that will enable the successful functioning of the abattoirs. For that reason I support it.

Mr. PEARSON (Flinders)—Although I do not want to address myself at any length to this Bill, I do not desire the brevity of my remarks to be taken as an indication of the warmth of my support of it. As the district member, at any rate, I was extremely pleased to see this Bill introduced. Ever since I came to this House, and particularly in the last three years, I have advocated the necessity for doing something concrete to provide a means for producers in certain parts of the State to have a share in the metropolitan meat markets. It is possible for producers on the mainland to have access to the metropolitan market because they have good communications for the transport of their stock to the regular sales held at Gepps Cross each Wednesday morning, and as far as cattle are concerned, on Monday mornings. A little prior to the last elections I made so bold as to say that I thought one of my principal objectives, if re-elected for my district, would be to endeavour to improve the facilities for marketing of stock on Eyre Peninsula, particularly the lower part, because that is the most remote part of the State from the mainland that produces meat in large quantities. I am pleased to see that that is what this Bill does.

The old Act contains provision for dead meat to be brought into the metropolitan area after a permit has been obtained from the Abattoirs Board for that purpose. It provides that the board can grant permits for specified quantities of meat to be brought in, subject to proper inspections that are necessary and logical. However, the way was not open in any respect for the development of the meat trade in any volume from, say, Port Lincoln to the metropolitan area. I have stressed at some length, over a period of years in this House, the development that is occurring in the higher rainfall parts of my district's side of, shall we say, Lock, where pastures are being rapidly improved every year and where, as the country emerges more and more from its original mallee state, the stock capacity is increasing by double and in many cases treble, its earlier capacity. The outlet, therefore, for meat in that area has centred around the export market for fat lambs, and during the currency of the wartime meat agreement with Great Britain it was possible to get rid of a large quantity as mutton. Beyond that point, however, the ability of the local market to absorb the meat produced has been getting further and further out of line. The development of the hinterland occurred at a very much greater rate than at Port Lincoln in regard to the ability to produce meat, therefore there was no real prospect for the development of meat production on a broad basis in the lower Eyre Peninsula area unless some market could be found for that meat. That matter impressed me three or four years ago and active steps were then taken to do something about it. I thank the present Minister of Agriculture (the Hon. A. W. Christian) and his predecessor in office (the Hon. Sir George Jenkins) for their co-operation in permitting the taking of the initial steps to establish a regular fat stock market at Port Lincoln. That market has proved to be valuable, both economically and in other ways, to the producers of that area. We are now engaged in active negotiation to see whether meat killed at Port Lincoln works can come to the metropolitan area, and this Bill removes what I believe to be the final barrier to that trade. I have pleasure in supporting the Bill, which had its origin in the needs of Eyre Peninsula producers to share in the metropolitan market, and I thank those people who have actively associated themselves with this proposal, namely, Mr. Woolford and Mr. Coles of the Eyre Peninsula Stock Marketing Company, and all those people who have assisted me in presenting this proposal to the Minister.

The member for Prospect (Mr. Jennings) said no concrete proposals had been advanced for the establishment of a country abattoirs, and I have made the foregoing remarks mainly for his benefit, because we have at Port Lincoln an efficient abattoirs, although it requires to be more fully used than at present so that it will pay its way and cease to be an unprofitable Government institution. The killing charges at Port Lincoln must necessarily be higher than on the mainland because up to the present the work has been seasonal, as during the off season for export lambs it has had to content itself with only the slaughtering of stock for local consumption. I visualize that the Minister in controlling the meat permitted to enter the metropolitan area will have in mind a quota for that abattoirs that

will enable it to function on a much more efficient basis and therefore relieve his department of a non-profit making organization and at the same time provide a better outlet for stock.

I believe the Minister is the proper person to control quotas that may be granted to the various abattoirs participating under this scheme. The original conception of the metropolitan abattoirs has somewhat changed with the passage of time, because, although it was probably necessary earlier to grant the Metropolitan Abattoirs Board a virtually exclusive franchise over city meat to enable it to be an economic unit, the expansion of the metropolitan market has been so great that the board cannot now be in any jeopardy. Indeed, even after it gives away some of its present rights to supply the metropolitan area it will be in an infinitely better position to function economically than it was when the original legislation was introduced and the existing franchise granted; therefore, the granting of quotas to country abattoirs under this legislation will have no adverse effect on the metropolitan abattoirs. I thank the Government, and the Minister in particular, for introducing this Bill, which is of inestimable value to my constituents.

Mr. BROOKMAN secured the adjournment of the debate.

GAS ACT AMENDMENT BILL.

The Hon. C. S. Hincks, for the Hon. T. PLAYFORD (Premier and Treasurer), having obtained leave, introduced a Bill for an Act to amend the Gas Act, 1924-1954.

The Hon. C. S. Hincks, for the Hon. T. PLAYFORD—I move—

That this Bill be now read a second time.

It proposes amendments of the law relating to the capital, finances and accounts of the South Australian Gas Company. The most important matter dealt with in the Bill is a proposed conversion of three-quarters of the share capital of the company into redeemable stock, subject to a provision enabling persons who object to the conversion to receive cash in lieu of stock. By this procedure the share capital of the company will be reduced by about £1,500,000 and its loan capital increased by the like amount.

As a result of the conversion the company will secure a substantial saving in taxation, because the interest on the redeemable stock will be an allowable deduction in computing the company's taxable income. Dividends are, of course, not an allowable deduction, and that is one reason why companies are now using substantial amounts of loan capital rather than share capital in their undertakings. The Government has given careful consideration to the proposals in this Bill and has not only taken into account the welfare of the company as a commercial undertaking supplying an important public utility, but has also satisfied itself that the interests of the shareholders and of the general public are fully protected. The shareholders have been informed at a general meeting of the proposals to be dealt with in this Bill and have passed a resolution asking the directors to seek this legislation from Parliament. The Government has also consulted the appropriate Commonwealth authorities, and they have assured us that they have no objection to it.

It will be convenient to explain the clauses of the Bill in the order in which they occur. Clause 3 repeals the provisions of the principal Act relating to what are called the Special Purposes Fund, the Reserve Fund and the Divisible Profits Account, and substitutes other provisions. The Special Purposes Fund was established by the principal Act in 1924, as a reserve to meet expenses incurred by reason of accidents, strikes and other unpreventable causes, and expenses incurred in the replacement, renewal or removal of plant or works and to provide contributions towards a superannuation fund. The Special Purposes Fund could not at any time exceed one-tenth of the capital of the company, nor could any sum greater than 2½ per cent of the capital be placed in the fund in any year. The Act also provided that the company could build up a reserve fund and a divisible profits account for the purpose of paying dividends. No other reserves except the ones I have mentioned were permitted to the company. It will be apparent that these provisions did not give the directors power to make whatever provision might be required for depreciation and contingencies. In the Government's opinion it is now highly desirable that the Gas Company should be in a position to set aside any sums which according to ordinary commercial practice may be required for depreciation and other reserves. It is therefore proposed to repeal the provisions as to the Special Purposes Fund and the dividend reserves and to give the company a discretionary power to set aside out of its revenue such sums for depreciation and for reserves as are in accordance with usual commercial practice.

Clause 4 empowers the company to capitalize interest paid on money spent on extensions of its works and plant, in respect of the period before such works and plant come into use. It is the usual practice to capitalize such interest and the company desires to do so, but it has been advised that such a proceeding is probably unlawful. Clauses 5, 6 and 7 are consequential on the repeal of the provisions relating to the Special Purposes Fund, the Reserve Fund and the Divisible Profits Account. Clause 8 repeals the provisions contained in section 45 of the principal Act setting out the conditions on which shares in the company are to be issued. Among other things, this section requires that all new shares issued by the company shall be offered for sale by public auction or tender, and that a reserve price shall be fixed, but not publicly disclosed until after the auction has been held or the tenders received. As a result of this section, the company is prevented from making under-writing arrangements of the usual kind with respect to new issues of shares. The section would seriously hamper the company if it decided to raise more share capital, and at the request of the company the Government proposes that the section be repealed. In its place, the Bill substitutes a new provision requiring that the amount and the terms and conditions of all new issues of shares, bonds, debentures, stock or other securities and the terms of any underwriting agreement must be approved by the Treasurer.

Clause 9 provides for the partial conversion of the company's shares to redeemable stock, as I previously mentioned. It is proposed that the Minister administering the Gas Act will fix a day of conversion by a notice in the *Gazette*. On the day of conversion the par value of every £1 share of the company will be reduced to 5s. and every shareholder will become entitled to redeemable stock to the amount of 15s. for each share held by him. The redeemable stock will carry interest at the rate of 6 per cent and will have a currency of 15 years. It will rank in priority after the bonds of the company. At any time within two months after the day of conversion any shareholder may give notice to the company that he dissents from the proposal to issue redeemable stock and ask for a cash payment in lieu of the stock to which he is entitled. If such a notice is given, the shareholder will be entitled to a cash payment of three-quarters of the market value of his shares as certified by the President of the Stock Exchange. The market value of shares to be so certified will be the average price at which sales of such shares were effected on the stock exchange of Adelaide during the four weeks preceding the day of conversion. Any money to which a shareholder becomes entitled by virtue of an election to take a cash payment will carry interest at the rate of 5 per cent from the day of conversion to the day of payment.

The Bill also contains a provision which would enable the directors to call off the conversion if they thought it inexpedient to proceed with it, having regard to the amount of cash to be paid out to dissenting shareholders. As, however, no shareholders have so far indicated any objection to the proposed conversion, it does not seem likely that there will be any occasion to use this provision. Clause 10 provides for alteration of the method of keeping the accounts of the company. At present the accounts have to be prepared in accordance with a number of forms set out in the second schedule to the Act. The Government has had these forms investigated by its officers and is satisfied that they are not in accordance with modern accounting practices of commercial undertakings. There is no reason why the company should now be tied down to obsolete methods and it is proposed to repeal the provision which obliges the company to keep its accounts in the scheduled forms. The law will then leave the company free to keep its accounts in the usual way, but the company will be obliged to prepare and forward to the Minister and the Registrar of Companies an annual profit and loss account and a balance sheet showing its position on June 30 each year. Clause 11 is a consequential amendment.

Clause 12 sets out to what extent the redeemable stock proposed to be issued under the Bill will be a trustee investment. It would be contrary to the present policy of the Loan Council, and not in the public interest, to lay down a general rule declaring that the 6 per cent stock is to be a trustee investment at all times. It is, however, possible that some of the shares of the company may now be held by trustees and that they may have power under the terms of the trusts to retain such shares as investments. It is only fair that such trustees should have the same powers to retain redeemable stock issued to them on the conversion of their shares, as they had to hold the shares themselves. This is provided for in clause 12. Clause 13 is a consequential amendment.

Clause 14 enables the company to hold its annual general meeting at any time fixed by

the directors, so long as it is not later than 15 months after the previous annual meeting. Under the existing provisions of the company's deed of settlement, the company is obliged to hold its annual general meeting in August, which has been found to be too early. It is proposed to give the directors a discretion in this matter. Clause 15 repeals the second schedule to the principal Act. This is the schedule which contains the forms in which the Act requires the company to keep its accounts. In view of the proposals in the Bill these forms will no longer be required.

Mr. TAPPING secured the adjournment of the debate.

FRUIT FLY ACT AMENDMENT BILL.

Second reading.

The Hon. A. W. CHRISTIAN (Minister of Agriculture)—I move—

That this Bill be now read a second time.

The object is to provide compensation for loss arising from the campaign for the eradication of fruit fly which was commenced in the Edwardstown area at the end of last year. On the discovery of fruit fly in the area, stripping and spraying were begun, and a proclamation was issued on December 31, 1954, prohibiting the removal of fruit from the area. Following the practice of other years, the Government proposes that compensation shall be given for loss arising from these measures and is accordingly introducing this Bill.

It provides for compensation for loss arising from these measures in the same manner as in previous years. In June last a proclamation was issued prohibiting the growing or planting of certain plants in the area until August 31 of this year. These plants were tomatoes, peppers, egg plants, ornamental solanum, rock melon, sweet melon and cucumbers. In the past provision has been made for payment for loss arising from the imposition of such a prohibition. The Government does not, however, propose to include provisions for payment of compensation on this ground in this year's Bill. Such compensation is only justified in special circumstances, for example, where commercial growers are unable to plant adequate alternative crops, or where, as happened in 1953, the outbreak occurs in the spring. The Government is not aware of any special circumstances in the present outbreak which would justify the payment of compensation on this ground.

Clause 5 provides first that a person who suffers loss by reason of stripping or spraying on any land while the removal of fruit therefrom is prohibited by the proclamation made on Decemer 31, 1954, shall be entitled to compensation. Compensation will be available both for the taking of the fruit and for incidental damage. Second, clause 5 provides for compensation for loss arising by reason of the prohibition of the removal of fruit from any land by reason of that proclamation. Clause 6 lays down the time within which claims under the Bill must be lodged with the Fruit Fly Compensation Committee. Claims arising from stripping and spraying must be lodged before February 1, 1956, and claims arising from the prohibition of removing fruit, by July 1, 1956. Clauses 3 and 4 make minor amendments to the principal Act. Clause 3 strikes out an obsolete provision relating to the payment of compensation. Clause 4 re-enacts the schedule to the principal Act.

The schedule contains references to regulations made under the Vine, Fruit, and Vegetable Protection Act which are "fruit fly regulations" for the purposes of the Fruit Fly Act. Clause 4 brings the schedule up-to-date by striking out obsolete matter and inserting a reference to new regulations made in November, 1953.

Mr. FRANK WALSH secured the adjournment of the debate.

SURVEYORS ACT AMENDMENT BILL.

The Hon. C. S. HINCKS (Minister of Lands), having obtained leave, introduced a Bill for an Act to amend the Surveyors Act, 1935-1949. Read a first time.

The Hon. C. S. HINCKS—I move—

That this Bill be now read a second time.

The purpose of this Bill is to prevent interference with survey marks on roads and private land. The attention of the Government has recently been drawn to the unsatisfactory state of the law in relation to interference with such survey marks. Interference with survey marks on any land is made an offence by section 34 of the Surveyors Act, but only where a survey is in progress and where the marks are on boundaries or are erected for the purpose of fixing boundaries. This section covers most forms of interference. The Police Offences Act and the Criminal Law Consolidation Act both make it an offence to damage any form of real or personal property, and

under these provisions it would be an offence to damage a survey mark of any kind on any land. Mere interference with a mark not amounting to damage, for instance, removal, would not, however, be an offence. Interference of any kind with survey marks on Crown land is made an offence by the Crown Lands Act.

The position is thus that mere interference with a survey mark on private land or a road is not an offence except where a survey is in progress, and the mark is placed on a boundary or for the purpose of fixing a boundary. Interference with pegs and other marks after the completion of a survey is fairly common. The Government believes that it is desirable that any form of interference with survey marks should be prohibited, whether or not surveys are in progress, and whether or not the marks are placed for the fixing of boundaries. The Government therefore proposes to give section 34 of the Surveyors Act a general application so that it will apply to interference with any survey marks at any time. Clause 3 inserts a definition of a survey mark in the principal Act designed to include any form of peg, beacon or mark used in the course of surveying.

Clause 4 re-enacts section 34 of the principal Act so that it will apply to interference at any time with any such mark. The clause increases the penalty for the offence from twenty pounds to fifty pounds. The present penalty was fixed in 1892 and it is felt that the proposed increases would be amply justified by the fall in the value of money since then. Clause 4 also inserts an evidentiary provision designed to facilitate proof that a mark is a survey mark. This provision does not affect the obligation of the prosecution to prove interference with the mark, which is the essence of the offence. As re-enacted section 34 of the principal Act will prove a deterrent to persons who damage survey beacons erected for the purpose of map-making by the Photogrammetric Section of the Department of Lands. This section is engaged in aerial surveying, and its work has been seriously delayed by interference with survey beacons erected by it.

Mr. FRED WALSH secured the adjournment of the debate.

ADJOURNMENT.

At 4.34 p.m. the House adjourned until Tuesday, September 27, at 2 p.m.