

HOUSE OF ASSEMBLY.

Thursday, August 7, 1958.

The SPEAKER (Hon. B. H. Teusner) took the Chair at 2 p.m. and read prayers.

QUESTIONS.**PUBLIC SERVICE LONG SERVICE LEAVE.**

Mr. O'HALLORAN—Section 75 (1c) of the Public Service Act limits the amount of long service leave which can be granted to officers in the Public Service to 365 days. My attention has been drawn to the fact that a number of officers have served longer than the 40 years provided for in this section. One that I heard of has served 52 years and another 50. Will the Government consider amending the Act to remove subsection (1c) thus enabling officers to have nine days' leave for each continuous year of service irrespective of the number of years they are in the Public Service?

The Hon. G. G. PEARSON—I will refer the matter to Cabinet for consideration.

WHEAT STABILIZATION.

Mr. HEASLIP—The following article appeared in this morning's press:—

The Australian Agricultural Council has been asked to consider two points raised by the Australian Wheatgrowers' Federation on the proposed wheat stabilization plan, the Minister for Primary Industry (Mr. McMahon) said today. The first point concerned the yield of wheat per acre and the second whether a profit on cost of production would be allowed in the local price.

Mr. McMahon said he had written to the State Ministers of Agriculture asking them when they would be prepared to meet to consider these two points. They are of great importance to the wheatgrowers of Australia and to the success of the future stabilization scheme. Is the Minister of Agriculture prepared to attend this meeting and can he give any information regarding the attitude of the Government in relation to the yield divisor, and also the margin of profit as related to the cost of production of wheat in the proposed stabilization scheme?

The Hon. D. N. BROOKMAN—There is talk of another meeting of the Agricultural Council to discuss those matters. The South Australian Government is always willing for the Minister of Agriculture to attend whenever a meeting of the Agricultural Council is called and I shall be happy to attend any meeting arranged to discuss these two points.

Mr. HAMBOUR—Last week I attended a meeting at which one of the speakers was the member for Ridley, Mr. Stott, who, discussing the proposed wheat stabilization agreement, criticized the Agricultural Council for not allowing farmers a margin of profit in the home consumption price of wheat. Without actually saying that South Australia was against a profit margin, he left a doubt in the minds of those present as to the South Australian attitude. He said that the New South Wales Minister was known to favour a profit margin and that the Commonwealth Minister for Primary Industry had told him he also favoured it. In view of the doubt cast on the attitude of South Australia, can the Minister of Agriculture say what his attitude was at the conference?

The Hon. D. N. BROOKMAN—Members of the Agricultural Council do not make statements individually. Any public statement is made by the chairman—that is to say, the Commonwealth Minister for Primary Industry, Mr. McMahon. Therefore, neither I nor any other member of the council should make any statement as to his attitude at the conference.

It would therefore be improper for anyone to make assumptions or draw inferences as to the attitude of the various members of the council. It is correct that before the council meeting there was a statement in the Sydney press purporting to set out the attitude of the New South Wales Minister. Since then, I know of no further statement. I recently asked Mr. McMahon if he had stated his attitude to the profit margin question outside the Agricultural Council and he assured me he had done nothing of the sort. Therefore any suggestion that he has made a statement must be strongly denied. I must leave the matter with the honourable member by saying only what was in the official statement of the chairman of the Council, which was that the Ministers had reached agreement on all the essential details of the plan. As far as I am concerned, I would have no objection if at the Agricultural Council meeting the attitude of each State Minister on such a matter was made public.

TOWN PLANNING OF SETTLED AREAS.

Mr. HUTCHENS—Has the Minister of Education representing the Attorney-General a reply to my question of July 31 in which I asked whether the Town Planner could submit an interim report regarding the planning of settled areas?

The Hon. B. PATTINSON—I referred the question to the Attorney-General, and have now received the following reply:—

By virtue of section 26 of the Town Planning Act, 1929-1957, the Town Planning Committee is required to make an examination of the metropolitan area and an assessment of its probable development. Such an examination and assessment for an area comprising over half a million population will take at least three years. The complement of staff has recently been completed; initial survey work is well in hand, and consideration is now being given to the broad issues of the future development of the metropolitan area. It would, however, be impracticable to prepare an interim report at this stage.

OAKLANDS ROAD BRIDGE.

Mr. FRANK WALSH—Will the Minister of Works obtain a report from the Minister of Roads whether the bridge on Oaklands Road over the Sturt Creek will be widened or renewed to overcome the congestion of traffic at that spot?

The Hon. G. G. PEARSON—Yes.

WESTERN DIVISION DRAINAGE SCHEME.

Mr. HARDING—I have received the following letter from one of my constituents:—

I wish to advise that three petitions covering the following areas—upper reaches of Division B of the Reedy Creek, Mount Burr heath area and Tri-Hi area—signed by the landholders concerned has been forwarded to the Honourable C. S. HINCKS, Minister of Lands, per the S.E. Drainage Board.

The petition asks the Government to include the areas mentioned in what is called the western division. Does the Minister of Lands envisage that an amendment to the appropriate legislation will be brought before this House this session in order to incorporate these areas into the western division?

The Hon. C. S. HINCKS—It is true that I received a petition from people in that locality. As the honourable member would know, it is difficult to transfer land from one drainage area to another, but in an effort to overcome the problem I am obtaining a report from the Crown Solicitor. However, I doubt whether it will be possible to bring down legislation this session.

GASTRO-ENTERITIS.

Mr. TAPPING—It has been reported by radio and in this morning's paper that a severe outbreak of gastro-enteritis has occurred, that hundreds of reports of this complaint have

been made to the local board of health, and that two or three deaths have occurred. As it is a very serious matter, will the Minister of Works confer with the Minister of Health and ask him to obtain a report and to make a public statement to parents on what precautions to adopt to avoid the illness?

The Hon. G. G. PEARSON—Unfortunately I missed the press reference to which the honourable member referred. However, I will address his remarks to the Minister of Health for action to be taken.

SALES TAX ON SPORTING EQUIPMENT.

Mr. LAUCKE—Whilst the matter to which I refer—the lack of provision in the Sales Tax Exemption Classification Act, 1937-1957, to enable youth clubs to obtain exemptions from sales tax when buying equipment—does not come within the jurisdiction of this House, I feel it is one that should be taken up with the appropriate Commonwealth authority. I feel that these clubs should be encouraged wherever possible and assistance would be given to their efforts to equip themselves adequately with parallel bars, mats, horizontal bars and so on if sales tax were deleted. I would therefore be grateful if representations could be made in the appropriate quarters to seek exemptions from sales tax for this equipment.

The Hon. G. G. PEARSON—I do not know offhand what rate of sales tax applies to these items and whether or not it is a material consideration in the cost of obtaining them. It is a matter which of course much concerns the Federal Treasurer and Commonwealth Government policy. The best suggestion I can make to the honourable member is that I will direct his remarks to the Honourable Treasurer for his consideration and, if he considers it desirable, make representations to the Federal authority.

WAR SERVICE LAND SETTLEMENT LEASES.

Mr. HARDING—Can the Minister give me a reply to the question I asked last week about dry lands war service land settlers?

The Hon. G. G. PEARSON—Yes. The Commonwealth and State authorities have agreed upon the zones for dry lands war service land settlers, and the stage has now been reached when it will, within a short period, be possible to advise the settlers included in the early allotments of the prices at which they may obtain the fee simple of their holdings.

COMPENSATION FOR ACQUISITION OF PRIVATE PROPERTY.

Mr. JENNINGS—I have recently been approached by one of my constituents who is in partnership with another person who owns land adjoining a main road in an outlying part of my district. They agreed by mutual consent to dissolve the partnership, not to subdivide the land for housing purposes but merely each to take possession of his 10 acres. On approaching the Town Planner they were informed that this could only be agreed to if they could make available 17ft. (I think it was) of the frontage to provide for a possible future widening of the main road. For this 17ft. frontage they would receive no compensation. I will ask the Minister when he gets his colleague to check with the Town Planner to find out if what I have recounted is correct; secondly, if it is authorized by the Town Planning Act; and, thirdly, if it is the policy of the Government to confiscate private property.

The Hon. B. PATTINSON—If I may answer the last part of that question first, if it is the policy of the Government to confiscate private property, that position has never been communicated to me at any rate. I should not be prepared to be a party to it. There is some misunderstanding perhaps between the two departments—the Highways and Local Government Department and the Town Planner. It may be that under the Town Planning Act the Town Planner is bound by certain conditions whereas the Commissioner of Highways and the Minister of Roads are acting in another capacity in relation to the frontage.

Mr. Jennings—But there will still be compensation?

The Hon. B. PATTINSON—I shall be very surprised if the people are not compensated by the Minister of Roads if the land is taken for the purpose of widening the main road. However, the matter having been raised, I will refer it in the first instance to the Attorney-General who, I am sure, will be only too pleased to consult with his colleague the Minister of Roads. I will let the honourable member have a reply as soon as possible.

MYPONGA RESERVOIR.

Mr. DUNNAGE—Is it the intention of the Government to have a parking area and a tourists' look-out at Myponga Reservoir similar to those at the South Para and Mount Bold reservoirs?

The Hon. G. G. PEARSON—I have not had that matter under consideration since I became

Minister of Works but I will make inquiries of the department to see if such facilities are envisaged, and let the honourable member have the information.

FRUIT FLY COMPENSATION.

Mr. RICHES—I recently asked the Minister of Agriculture what arrangements would be made for compensating householders at Port Augusta for the loss of fruit in the fruit fly campaign. Has the Minister a reply?

The Hon. D. N. BROOKMAN—A Bill on the Notice Paper, to be dealt with shortly, will answer the honourable member's question.

WATER MAIN ON CHURCHILL ROAD.

Mr. CUMBE—Has the Minister of Works a reply to the question I asked recently as to when the Government would be proceeding with the laying of a new water main on Churchill Road between Ovingham and the Irish Harp Road?

The Hon. G. G. PEARSON—I have a report which says that the department has been in very close touch with the Highways Department and the corporation to enable the work to be commenced at the appropriate time so as to cause the least disturbance and assist in co-ordinating the work of laying the main with the programme of the corporation and the department. The department has a number of works of a similar nature to be done in the metropolitan area, and is endeavouring to arrange them in the rotation that will make the best use of the labour and plant available.

DAMAGE TO RED GUMS BY INSECT.

Mr. QUIRKE—Can the Minister of Agriculture say whether there is any further information concerning the insect, the incidence of which for the past two years at least has been small but which is now in plague proportions and is threatening the very existence of the red gum trees in South Australia and, I understand now, throughout Australia. This insect appears to attack the pink wooded gums and leave the blue gum entirely alone, and it is having a devastating effect on honey production. Can the Minister also say whether any information is forthcoming as to what the insect is and what the ultimate result will be if the present plague proportions persist?

The Hon. D. N. BROOKMAN—I cannot tell the honourable member anything about that today, but I will ask the Director of Agriculture to report on it and let the honourable member have that report.

TRUST HOMES AT TANTANOOLA.

Mr. CORCORAN—Last week I asked the Minister of Works whether he would bring before the notice of the Acting Premier a letter from the district council of Tantanoola concerning the provision of trust homes at Tantanoola. Has he a reply?

The Hon. G. G. PEARSON—I have a report from the chairman of the Housing Trust as follows:—

The South Australian Housing Trust recently called tenders for 40 houses to be erected at Millicent to provide housing consequent upon the establishment of the new Apcel mill at Snuggery. It is the desire of the company that their employees should be housed at Millicent and it would appear to be sound policy to include these houses in the Millicent area. The total housing requirements consequent upon the company's operations will be about 80 houses.

Mr. CORCORAN—I was asked by the district council of Tantanoola on July 14 to bring this matter before the Premier. On July 29 I asked the Minister, in the absence of the Premier, whether he would bring it before the Acting Premier. I take it for granted that he did not do that, but referred it to the Housing Trust. I am not happy with the Minister's reply, and I do not think the District Council of Tantanoola will be either. Will the Minister of Works refer the matter to the Premier who will be back shortly and is in charge of housing activities? Expansion at Tantanoola is bound up with the activities of the Woods and Forests Department and if we cannot get consideration in this matter we shall get nowhere.

The Hon. G. G. PEARSON—The matter has several aspects. I said just now that the company desired houses for its employees to be erected at Millicent. At present it has very few employees because it has no works; therefore, it is not possible to take a census of the desires of the people to be employed. I take it the Housing Trust was perfectly justified in accepting the company's recommendation. The honourable member wants me to request the Premier to give a direction to the Housing Trust and to the company. I do not know whether that is the proper way but if he desires it I will see whether Cabinet will take the matter further.

Mr. Corcoran—I ask the question because the council asked me to bring it before the Premier.

The Hon. G. G. PEARSON—He is not here now. On receipt of the information, which I took to be well founded, that the company

desires to house its people at Millicent, I accepted it as a reasonable reply. If I had not, it meant that the Chief Secretary, who is the acting Premier, was being asked to direct the trust and the company. If the honourable member wishes that done I have no doubt that Cabinet will consider the request, but I thought the answer I gave earlier was a proper one.

Mr. Corcoran—I want it to go to the Premier or the Acting Premier.

The Hon. G. G. PEARSON—I will take it to the Acting Premier and I have no doubt it will be discussed in Cabinet.

NEW METROPOLITAN ABATTOIRS.

Mr. KING—I have been driving past the Metropolitan Abattoirs for a number of years and it has become apparent that the buildings and stock paddocks there are now very much in the metropolitan area, whereas formerly, when the City of Adelaide was relatively smaller, they were in the country. Today people living in nearby suburbs have to suffer the unsavoury odours emanating from the abattoirs and the highway is becoming congested, particularly at the railway crossing that serves it. Further, it appears that the demand on the abattoirs will increase as the population increases and that several hundred acres of ground worth thousands of pounds per acre adjacent to the buildings is used as car parks and stock paddocks. I understand that it has recently been proposed to spend more money on the buildings there, but rather than spend money in that way at present, will the Minister consider selling the present land, using the proceeds, which may amount to anything up to £1,000,000, to establish a more modern abattoirs, possibly in the country districts, and using the present buildings as a distribution centre for the northern suburbs?

The Hon. D. N. BROOKMAN—The question of moving the abattoirs is a big one and I would have to consider its full implications and the various authorities with whom it would have to be discussed. Further, it is undoubtedly a matter of Government policy, so I will fully consider the suggestion.

FIRES IN EMERGENCY HOMES.

Mr. STEPHENS—Has the Minister of Works a further reply to my question of July 24 concerning fires in emergency homes in my district?

The Hon. G. G. PEARSON—The honourable member was good enough to introduce me to a person who was present at the fire in question,

and he told me in which part of the building he found the fire. I referred his comments to the trust and asked whether it would make full investigations. I have now received the following report from the trust:—

The fire in question appears to have been started by sparks from a stove flue igniting the ceiling. The damage caused was not extensive. I think it will be agreed that the damage could have been more extensive had not a certain person been at a certain place at a certain time. The report continues:—

On the instructions of the Government, the South Australian Housing Trust has carried out considerable work upon emergency houses with a view to reducing the risk of fire.

SHOP REGISTRATION FEES.

Mr. STOTT—Last week I asked a question concerning the recent increase in shop registration fees but, on examination, I now find that I owe this honourable House a deep and humble apology. When asking my previous question, I referred to an increase of 2,000 per cent, basing that figure on the following regulation:—

For every shop where more than 100 persons are employed the fee shall be the amount of £20 plus an additional amount of £10 in respect of every additional 50 persons or fraction of 50 persons so employed.

On examination, that does not mean an increase of 2,000 per cent, but 4,000 per cent, so I apologize to the House for giving incorrect information previously, and I ask the Minister whether he will get me a report on the matter.

The Hon. G. G. PEARSON—I promised the honourable member I would have the matter investigated, but I have not yet had a report from the authorities concerned. Undoubtedly, they will take into account the additional information which the honourable member so kindly furnished.

BROKEN HILL ROAD SEALING.

Mr. O'HALLORAN—Has the Minister of Works received a report from the Minister of Roads on the question I asked recently relating to the sealing of the road from Cockburn to Cutana?

The Hon. G. G. PEARSON—I have received the following report from the Minister of Roads:—

The highway through the townships of Mingarie and Cockburn is being sealed following declared Government policy, to alleviate dust nuisance wherever practicable as soon as possible. Apart from the normal maintenance of the Broken Hill Road, no further sealing is contemplated between Cockburn and Cutana.

CLERICAL ASSISTANCE FOR SCHOOLS.

Mr. DUNNAGE—I was given to understand this morning that all Class I primary schools will have a full-time secretary or clerk. Can the Minister of Education say whether this is true and whether it is the policy of the department?

The Hon. B. PATTINSON—Although I have been Minister of Education for about 4½ years there are a few matters on which I am not quite sure in my own mind whether they concern the policy of the Education Department or the Public Service Board. I would have thought that as a Minister of the Crown I had some authority on these matters, but I find I am subservient to the Public Service Board as regards secretarial or clerical assistance. I am not familiar with this particular subject matter, but it is similar to that raised in a question the honourable member asked me about a week ago in relation to technical high schools. No doubt the acting Director of Education will apply to the Public Service Commissioner for such secretarial assistance as he considers necessary for the Class I schools as he does for the technical high schools and other such institutions. I cannot say what will be the outcome of the acting Director's application to the Public Service Commissioner for the very good reason that I do not appear to have any jurisdiction or authority in the matter.

MARION ROAD.

Mr. FRANK WALSH—Because of recent rains and flooding that has occurred in areas outside the Marion Corporation area—and this council has been blamed for that, particularly in the district represented by the Minister of Education—and in view of the delay in bringing evidence before the Public Works Committee on the south-western drainage scheme, the Highways Department is carrying out work on the Marion Road. The Marion Corporation has endeavoured to meet the wishes of the Highways Department by constructing certain inlets for taking water in a westerly direction, but there seems to be a hitch somewhere, and I ask the Minister representing the Minister of Roads whether it would be possible for the Highways Department to make available to the corporation a copy of the plans on which the department is working so as to enable the corporation to endeavour to prevent unnecessary flooding of properties in close proximity to the locality where the work is being carried out.

The Hon. G. G. PEARSON—I will have the matter brought to the notice of the Minister of Roads.

QUEEN ELIZABETH HOSPITAL.

Mr. HUTCHENS—There are a number of community hospitals in the western suburbs. One has been established at Hindmarsh and a board has been appointed to manage it. The future of these hospitals depends largely on the date of completion of the Queen Elizabeth Hospital as a general hospital. Can the Minister representing the Chief Secretary indicate when this hospital will be completed and ready for use?

The Hon. G. G. PEARSON—The Chief Secretary has furnished me with the following information:—

Good progress is being made on the buildings of the Queen Elizabeth Hospital, and the question of furniture and staffing is receiving attention. It is anticipated that the hospital will be in operation at the end of the year or early next year.

BURGLARY PRECAUTIONS.

Mr. TAPPING—Has the Minister of Works a further reply to the question I asked last week about burglary precautions in Adelaide jewellery shops?

The Hon. G. G. PEARSON—The Chief Secretary has supplied me with the following information:—

Mr. Tapping's objection to shops being installed with electrical wiring is amply covered by section 34 (1) of the Criminal Law Consolidation Act, 1935-1956, which makes it an offence to set a Man-Trap. Section 34 (3) permits the setting of a Man-Trap to protect a dwellinghouse between sunset and sunrise. The reports referred to were inaccurate as the windows mentioned are not electrified, nor have they ever been electrified. From investigations made it appears that the reports were initiated by persons aware of their civic responsibilities to act as a deterrent to the all too prevalent breaking offences being committed.

BULK HANDLING AT THEVENARD.

Mr. BOCKELBERG—Can the Minister of Works say whether the gypsum company at Thevenard is willing to carry out its part in connection with bulk handling and, if so, is it ready to receive? Has the Public Works Committee reported favourably on bulk handling at Thevenard and, if so, when is the Government likely to proceed with the erection of silos?

The Hon. G. G. PEARSON—The honourable member has asked a number of questions, some of which I can answer and some I cannot, so I prefer to give the matter mature consideration and bring down a complete reply.

HOUSING TRUST COTTAGE FLAT RENTS.

Mr. FRANK WALSH—I understand from a press report that under the new Commonwealth Budget proposals a 10s. allowance will be made available to persons paying rent for Housing Trust cottage flats. Will the Minister of Works see that there is no further increase in the rents paid by tenants living in the flats?

The Hon. G. G. PEARSON—Obviously I am not able or prepared to give such an undertaking at present, but the honourable member's remarks will be considered.

PARK STREET RAILWAY CROSSING.

Mr. HUTCHENS—On Tuesday the member for Torrens suggested alterations at the North Adelaide railway crossing to provide for mechanically operated instead of manually operated gates in order to more quickly relieve the traffic congestion. I heartily support the suggestion, but as the Park Street railway crossing, near the Bowden railway station, is linked with the North Adelaide crossing will the Minister of Works inquire whether adjustments can be made at that crossing if and when adjustments are made at the North Adelaide crossing?

The Hon. G. G. PEARSON—Yes.

ADDRESS IN REPLY.

Adjourned debate on motion for adoption.

(Continued from August 6. Page 299.)

Mr. STOTT (Ridley)—I extend sincere sympathy to Mrs. Fletcher and the family of the late Mr. John Fletcher, who represented Mount Gambier so long. He did a remarkably good job as a district member and had a wide circle of friends because of his sincere approach to matters affecting his district and his honesty of purpose. He will be long remembered in this House. I congratulate the new member for Mount Gambier (Mr. Ralston) who has already created a favourable impression. His speech in this debate showed that he has a strong grasp of problems in his district. We look forward to many speeches by him. I was sorry that because of ill-health Sir Malcolm McIntosh was forced to retire from the Ministry. I think he has had the longest association with the South Australian Parliament as a member and as a Minister of the Crown. I hope that his retirement will enable him to regain his health so that he may enjoy many long years of happiness. He will be remembered in this Parliament as a person of distinction and his work as a Cabinet Minister

will long be remembered. I congratulate the member for Alexandra (Mr. Brookman) on his elevation to the Cabinet as Minister of Agriculture. He is a young and vigorous man. He was described yesterday as a "high-brow." If that was a reference to his high forehead, then he and I have something in common, but I hope that in his high brow he will be able to grasp the problems that confront him as Minister of Agriculture. I am sure he will benefit from the many activities commenced by his predecessor, the Honourable G. G. Pearson.

I congratulate the Government on the excellent arrangements that were made during the visit of Her Majesty the Queen Mother. Mr. Pearce, who was in charge of those arrangements, deserves the highest commendation. The organization involved was immense, but he performed his duties calmly and with judgment. Everyone was thrilled with the visit. Her Majesty's warm and radiant personality captured our hearts and it was an unforgettable pleasure to be associated with such a wonderful visit which will live in our memories for years.

I do not know whether I should warn members, but I desire to refer to a number of matters this afternoon, and, of necessity, my speech will be long. This is a vital year for the wheat industry of Australia, in as much as it is what is referred to as the "base year." Every five years we have to negotiate a new wheat plan and having concluded negotiations it is necessary for legislation to be drafted and passed by all State Parliaments and the Commonwealth Parliament. In that legislation, on which complete agreement must be reached by all Ministers, we must write the figures per bushel which equal the base price, and that is why it is so vital that complete satisfaction should be secured for the industry. I propose dealing with this in detail, in order to inform members of the actual situation—although there are some matters of a confidential nature on which I cannot speak.

I shall naturally deal primarily with the rural economy, but it would be a great mistake to think for one moment that the rural economy is something apart. The purchasing power of the rural section of the community is of great importance to our entire manufacturing structure and to all service industries. On the other hand, all Australia depends overwhelmingly on the rural industries to earn funds overseas with which to pay for our

imports. The import requirements of our factories in machinery and raw materials represent more than half our import budget while the manufacturing industries and items necessary for the general development of the country absorb almost 80 per cent of our total import expenditure. These simple figures make it abundantly clear that a serious reduction in our ability to import would produce grave consequences in our capacity to develop and to sustain employment in our factories.

Viewed from this aspect—and, of course, this is the critical aspect—the most recent figures can only be described as startling and foreboding. In 1957-58 exports of primary produce earned £700,000,000 overseas. At the same time our actual imports of essential materials and equipment cost £762,000,000 landed in Australia. During that time we also had inescapable overseas payments totalling £44,000,000. Thus, in the last financial year our primary industries earned £700,000,000 in overseas currency while the expenditure on absolute essentials was £806,000,000—a deficiency of £106,000,000. Manufacturing and semi-manufacturing industries earned £109,000,000 by export—11 per cent of the total export earnings—and we borrowed money from overseas. We had the advantage of overseas funds invested in Australia for payment of overseas goods in that period and, of course, through prudence in earlier years we had built up more than £500,000,000 of reserves. However, in the figures I have quoted for imports, I have not cited figures applying to the whole array of imports which might be described as non-essential. In fact, these total about £100,000,000 for the year.

The point I am attempting to bring out is that in a country which is a big importer and which depends overwhelmingly upon primary products to pay for its imports, we have reached the stage when our primary products fall short by about £100,000,000 a year in paying for our essential imports and in meeting our overseas obligations. What are we to do? I think the time has arrived when we must aim at a faster and balanced growth for Australia. Indeed, we can claim that in the last decade there has been unprecedented growth. Our population has increased by 2,000,000—25 per cent. Our living standards have been improved substantially. For example, more than twice as many people own motor cars as previously and there has been a substantial increase in manufactured goods. We have 50 per cent more factories than 10 years ago and the volume of factory production

has increased by 60 per cent. Farm production has increased by 40 per cent and primary exports have increased by 60 per cent. This is the situation I have in mind when I say that the well-being of primary industries is not a parochial matter. It touches the well-being of the entire Australian people and our capacity to develop and sustain employment. I have been accused of demonstrating what the industry wants, but I am proud that I have carried this out to the best of my ability. These figures I have given illustrate the most critical problem of Australia today, and, as I shall point out presently, they are equally typical of an equally critical problem for a very big range of commodity-exporting countries throughout South East Asia, Africa and South America. Last year our export earnings fell by £175,000,000 compared with the previous year, and farm income was down by about £130,000,000. This situation not only places the farming community in general in a serious situation, but demands remedial measures. Within Australia we must sustain the purchasing power of farm products, continue with stabilisation plans, and pursue efficiency of production at a new and urgent tempo. Governments and all who serve the rural industries must avoid the imposition of any further costs upon them.

When a factory becomes unprofitable there is a study of costs and merchandising, and if a remedy cannot be found there is a reduction of production. If unprofitability in rural industry should lead to reduction of production, there would be very serious consequences throughout Australia. Australian farmers are expansionist in their thinking, but they can only afford to proceed with expansion if there is a reasonable prospect of profit, and availability of credit. There are problems of cost which have been created within Australia and must be faced here, but the predominant explanation of our problem is not internal. It is a general fall of world values for bulk commodities—not only a fall in value of bulk commodities, but a great disparity in the value of the bulk commodities compared with the industrial products in world trade.

In the last 10 years the industrial products in world trade have doubled in their value, whereas the primary products have risen by only 50 per cent. In the short term, however, the fall of world values is startling. In the last 18 months wool has fallen by 34 per cent, butter by 28 per cent, metals by 35 per cent, and meat by 16 per cent. Sugar and grain have remained fairly stable, but there is an

immense stockpile of wheat over-shadowing the world market. As against this tremendous fall in the value of our major export products over the last 18 months, manufacturing goods in world trade have actually risen by 4 per cent. This situation, which extends to almost all the bulk commodities in world trade, is much more serious for a very large group of countries whose internal standards of living are less satisfactory than ours, and whose need for development is more urgent than ours. Consider the countries of South-East Asia, for example. Over a recent 18 month period rubber prices fell by 18 per cent, tea by 16 per cent, jute by 8 per cent, rice by 5 per cent and tin by 7 per cent. We are looking to these countries to buy our wheat and flour particularly, but because of the fall in the prices of their commodities they are unable to buy our products to the same extent, having less money to pay for them.

We are all familiar with the very great aid that an understanding Western world has provided for these under-developed countries through the Colombo Plan and many other acts of aid, particularly by the generous United States. The bleak truth, however, is that the total of all aid given and the total of all overseas investment made in this group of countries is completely offset and negated by a fall of 5 per cent in the value of their export products. Against this I have quoted a fall of 18 per cent in rubber, 16 per cent in tea and 8 per cent in jute, etc. This situation is grievous for these countries and must not continue. However, just as I have pointed out that deterioration of the purchasing power of Australian primary industries is bad for all Australia, equally a deterioration of the purchasing power of this great world group of under-developed countries is bad for the whole world. It is untenable and becomes a problem. There are many members in this Parliament who have a tremendous influence on the thinking of those in Canberra on world affairs. It is with the intention of bringing these matters before members that I have burned some midnight oil and produced figures so that honourable members can use their influence with those in the Federal sphere. The countries referred to cannot continue to provide markets for the world's factories if they cannot earn adequate overseas funds. For this very reason India has already had to impose most drastic import restrictions. Where the standard of living of these countries cannot be maintained, let alone improved, and their development cannot proceed, we

would not be facing reality if we did not recognize that political stability will not be sustained. In short, there is real danger for the western world in this situation.

If the capitalist—the free enterprise—world cannot, or will not, organize itself to pay remunerative prices for essential products, the communistic world will appear to some poor and backward nations as an alternative at least worth experimenting with. I will not attempt to pose as an expert on all those things, but these are incidents which bear upon the Australian experience in commodity prices which are clearly identifiable and capable of examination. This world-wide fall in commodity prices is not just a phenomenon of trade occurring for no particular reasons. The American recession is a prime factor. The tightening of credit in the United Kingdom and the accompanying steep rise in interest charges which traders were suddenly called upon to carry were factors which made an impact on our wool auctions. Over recent months there has been some liberalization of credit policy in the United Kingdom, together with a reduction in interest rates and these changes are expected to have a beneficial effect on wool prices when the season opens.

The efficacy of G.A.T.T. and the comparative stability of trade and prices of industrial products are related. The absence of world rules governing commodity trade is a contrast pertaining to this picture. Uneconomic price supports for agricultural products have disturbed trade. The level of price support for wheat throughout Europe and the volume of wheat produced in Europe under this support are both even more serious than the volume and the very high price supports for wheat in the United States. For Australia to be driven out of her flour markets in Ceylon and Indonesia by subsidized French and German wheat is a travesty of normal trading. Germany, which is an Apostle of world freedom of trade in industrial goods, maintains most rigid import restrictions against sales into her market of bulk foodstuffs from countries that are very important customers of her factories. I say this and I could say much more out of our Australian experience, and I know that that great range of importing countries producing tropical and semi-tropical products have similar problems.

Each of the under-developed nations of South-East Asia has a history of civilization and culture as old as that of Europe. They must be enabled to maintain a satisfactory standard of living and to develop their

resources, not by gifts as in the Colombo Plan, but by being able to sell their products, which are essential to the world, at reasonable prices. We should help them and work with them to this end. Their national dignity must be preserved, based on their own efforts rather than outside help.

On the principles in issue, Australian and New Zealand interests are identical with those of the South-East Asian nations. This must be one of the major problems to be discussed when the Commonwealth countries meet in Montreal this year, but a meeting of these countries alone may not solve what is a world problem. However, if British Commonwealth countries, including as they do a great number of typical world exporters of primary products and the greatest single world importer of food and raw materials, can reach agreement in identifying this problem, if they can agree that it is serious and urgent, that it must be resolved and that there are identifiable principles to be followed towards its solution, a giant stride will have been made towards a much wider concentration of nations working out a means to cure the present dilemma and avoid future recurrences. Industry throughout the world is geared to a basis of expansion. A standstill in any great area of consumption, even though temporary, produces serious repercussions. The internal credit policies of the great consuming countries must be recognized as having an important impact upon supplying nations. There are some examples of world commodity arrangements operating with great efficacy in avoidance of both price and supply distortions: the International Wheat Agreement and the Commonwealth Sugar Agreement are perhaps the best examples. I am not under the impression that an explicit commodity agreement is the best in every case, but from my experience I am certain beyond doubt that trouble to the point of danger looms if the purchasing power of the commodity exporting countries is not restored and stability maintained. In this we should be asking others to work with us.

I have always held the view that nobody should ask others to assist him in his problems unless he has done all that can reasonably be expected in self-help first. We must never be content with the level of our production efficiency; we must be business-like and driving in our salesmanship and conscious of the quality of our products. In that respect the organization I have the honour to represent as secretary has given a lead to the rest of Australia in separating wheats into soft

and semi-hard varieties in order to meet the requirements of overseas buyers. We are able to say to them, "We will guarantee you a cargo of 8,000 or 9,000 tons of soft wheat. On the other hand, if you want a cargo of high protein wheat, there it is."

Previously buyers argued with a great deal of force that Australian f.a.q. wheat was no good and they did not want it because in every cargo was a mixture of soft and semi-hard wheat. As a result a conglomeration of grain was used for flour, which they did not want, so we started a move to separate the soft and semi-hard varieties which, I am pleased to say, has proved an outstanding success. It is not a great problem for the farmer when delivering to the local agent to say, "This load is soft wheat." It then goes into the appropriate bin and is transferred to the silo containing that type. Consequently, when the Wheat Board is loading a ship it has a full cargo of the particular variety for which buyers overseas are clamouring. That is an excellent example of the lead we have given to the rest of the Commonwealth.

Mr. O'Halloran—When did your organization first propound this policy?

Mr. STOTT—From memory, I think the first move was made at an executive meeting about 2½ years ago and it subsequently went to the Australian Wheat Board.

Mr. O'Halloran—Mr. Butterfield, a former Minister in this State, was preaching this 20 years ago.

Mr. STOTT—If he did so, I pay a great tribute to him for his originality. However, I can assure the Leader that we did not copy him, but were driven to do what we did by a delegation from Japan, members of whom said with a great deal of amusement, "We do not like your f.a.q. wheat, but you sell us bulk wheat and then sell us the bags." We could not follow, but we now know that they wanted a particular variety for noodles and a variety for higher quality products with a high protein value. Indonesia was also interested in this.

As from October 1 next we will be able to sell any quantity of mutton and lamb anywhere in the world. Opportunities exist to sell beef and mutton to the United Kingdom and America, and the Trades Commission is over there now seeing what it can do. This year 11,000 tons out of 15,000 tons of free exports will go to the United States. The Meat Board is now making a survey of United States markets, and the chairman, Mr. J. L.

Shute, is in that country looking after our interests.

During the last decade farmers have been ploughing back profits into improvements. Of course, that has been due to the 20 per cent depreciation allowance policy of the Federal Government. It was estimated that in the Queensland beef industry private owners spent £30,000,000 between 1951-52 and 1956-57, and similar investment has gone on in other States, thus providing greater stability and laying the foundations for another spurt forward towards greater production. The community as a whole should be grateful to primary producers for ploughing back their profits, as it will enable them to produce more beef.

I now come to the main part of my address—what has transpired with the new negotiations on wheat stabilization. It is necessary for me to go back in history a little. After the first negotiations for wheat stabilization, the agreement reached between all State Governments and the Commonwealth was that the industry should receive a high export price, and out of the difference between that price and cost of production the industry should make a contribution of up to 1s. 6d. a bushel to a reserve fund. If export prices fall below the cost of production, that reserve fund was to be drawn upon to make up the cost of production price; but, when it came to fixing the home price, the industry said, in effect, "The determination of the home price for wheat shall be based on actual costs of production, but we do not want to charge the people in Australia the equivalent of the high export prices. That has never been done under the plan."

There was a period when prices of wheat overseas were as high as 21s. per bushel and wheat was sold on the home market for 11s. and 12s. a bushel. The difference between the home price paid by the consumers in Australia and the high export prices up to 1955 in real cash works out at £198,000,000. This is factual. The wheat industry has never quibbled or said that that £198,000,000 was a debit that they should try to get by legislation or litigation. They are quite happy to say, in effect, "We never asked for it anyhow in the first place"; but they are pointing out today "We made that contribution in the past and that difference between the cost of production price and the price received for export wheat represented a profit for the industry."

But now the pendulum has swung back and the price for export wheat has fallen. Today, it equals the cost of production price—14s. 6d. a bushel. I do not want to put the Minister of Agriculture in the wrong. This is where it has to be clearly understood that the Commonwealth Government has no power to fix the price to be charged for wheat within the States. The States must agree that the price of wheat sold for flour within a State must be with the consent of and by legislation of a State Parliament.

Having got that clear, the Commonwealth Government works out the details and says, "Having determined that the cost of production price of wheat is 14s. 6d. a bushel, the industry asks that there shall be a profit margin given to the industry not on export prices (it cannot be given there because it fluctuates so widely) but in relation to the home price." That is a function of the State Governments.

I want to clear up a point made this afternoon by the Minister of Agriculture in reply to a question asked by the members for Rocky River and Light. Would the Minister attend a conference and what would be the attitude of the State Government in regard to the recognition of a margin of profit? The Minister said to the member for Light, if my memory serves me aright, that it should not be on what one Minister had said at the conference. In other words the agreement was unanimous, saying in effect that no Minister had agreed; but he did admit afterwards that the Minister of Agriculture in New South Wales had made a statement. In the *Sydney Morning Herald* of Thursday, July 10, 1958, page 7, the Minister of Agriculture for New South Wales, Mr. R. Nott, said that—

"He would press for a continuation of the present plan under which all wheat is marketed by the Australian Wheat Board. The present scheme has brought great stability to the wheat industry and has brought order out of chaos. The new plan should allow for a reasonable and just profit to the grower. Since the scheme came into operation in 1947 the growers have contributed £198,000,000 to the internal economy of Australia because wheat overseas has sold at much higher prices than growers receive for their product locally. He believed that the council would support orderly marketing under the Australian Wheat Board with a fair price equal to the cost of production plus a reasonable profit to the grower."

The Hon. G. G. Pearson—To make such a statement was a breach of the understanding with the Agricultural Council.

Mr. STOTT—No.

The Hon. G. G. Pearson—Individual members by common agreement have never made statements.

Mr. STOTT—I think the Minister and I are talking at cross purposes. I agree in this respect that, once decisions are made at the Agricultural Council, it is a breach; but I am saying that this statement was made on the day they went into conference.

The Hon. G. G. Pearson—Then it is a breach of privilege and is virtually contempt of the council to make a statement before going there.

Mr. STOTT—We may differ about that but I say that that was said.

The Hon. G. G. Pearson—It does not make it right for our Minister to say what his attitude was.

Mr. STOTT—Maybe not, but the New South Wales Minister of Agriculture recognizes that the industry should get a margin of profit.

The Hon. G. G. Pearson—It does not say that other Ministers also recognize it.

Mr. STOTT—No; I am coming to that. In reply to the member for Light, the Minister this afternoon said that the Minister for Primary Industry had never said that the industry was entitled to a margin of profit. I want to make this point clear. There may be confusion about it and I do not want to put the Minister of Primary Industry in the wrong. I have great admiration for him. The way in which he has carried out these negotiations does him great credit. I do not want to put our present Minister of Agriculture in the wrong either, but what happened is easy to understand.

When this question of the yield divisor was discussed—a matter for the Commonwealth alone and not for the States—we talked to the Minister about it and he asked, after a conference "That is your point number one?" We said, "Yes. The other point is the recognition of a margin of profit." Then the Minister said this: "Of course, you understand that the recognition of a margin of profit is not within my jurisdiction. It is a matter for the States and, if the States agree, I am quite happy about it."

The Hon. G. G. Pearson—Was that the impression you conveyed to the country at your meetings?

Mr. STOTT—Yes.

The Hon. G. G. Pearson—I do not think that that is how your listeners got it.

Mr. STOTT—I am sorry. I put it in my awkward and clumsy way. I conveyed that at the meeting attended by the honourable member.

Mr. Hambour—You left no doubt in their minds that the Minister of Primary Industry was in favour of a profit.

Mr. STOTT—I think I did. I think I made it clear that in all these negotiations the Commonwealth Government has no power to determine the home prices of wheat, and never have had the power. If you put yourself in the Minister's position at Canberra—

The Hon. G. G. Pearson—You put yourself in the position of a listener at one of your meetings who does not know all these things. The impression left in the country is that the Minister of Primary Industry expressed himself as being in favour of a profit margin.

Mr. STOTT—Let us put it the other way to make it clearer. Is it being argued that, if all the States agreed that there should be a margin of profit, the Minister of Primary Industry would say, "No"? That is the whole point. The position is clear. The Minister said, in effect, "It is nothing to do with me. I have no jurisdiction over it. The States have to determine the price and if they agree, I shall not be found to be in opposition; I shall agree with it." I do not want to put our present Minister or any State Government in the wrong but that is the clear understanding.

The Hon. G. G. Pearson—What did you say in your broadcast about our Premier's attitude to it?

Mr. STOTT—If the Minister wants to know that I will deal with it now. I do not intend to say that this Government will not favour the recognition of a profit margin. The Minister has quite rightly told us that we must not take what he said as indicating that he was in favour or against. That is a right and proper attitude and I agree with it. A considerable time ago, because of dry seasons in South Australia, we were forced to move what we call "out-of-zone" wheat into the Port Adelaide division from Wallaroo to satisfy the mills in the metropolitan area; the moving of that "out-of-zone" wheat meant an overall increase in freight of about 3d. a bushel, and we met with some resistance from the Premier in getting that 3d. a bushel.

The Hon. G. G. Pearson—That is not what you said in your broadcast.

Mr. STOTT—I am coming to that. We had resistance from the Premier to the 3d. a bushel which the growers would have had to pay out of their pockets. We had to fight for that. I said in the broadcast that we hoped our Premier would agree to a reasonable margin of profit.

The Hon. G. G. Pearson—You said in your broadcast that apparently the Premier expected wheatgrowers to produce wheat without a profit when he was not attempting to curtail hire purchase profits.

Mr. STOTT—That is perfectly true; it is based on facts.

The Hon. G. G. Pearson—No, it is not.

Mr. STOTT—It is perfectly true. The Minister of Works ought to know that when we put the case to the Premier for the 3d. a bushel he resisted it.

The Hon. G. G. Pearson—You have no right to say or assume what the South Australian Government's attitude is or what the attitude of any other Minister is on the matter.

Mr. STOTT—We will leave it at that. In these efforts to get recognition of a margin of profit we have a very solid case.

Mr. O'Halloran—It all depends on the basis for your margin of profit.

Mr. STOTT—I am coming to that. The Leader has brought me back on the rails.

Mr. Shannon—And that takes a bit of doing.

Mr. STOTT—The member for Onkaparinga would not know whether he was on the rails or not. Over a period of years a high export price operated and a lower price operated for wheat sold on the home market. The position today is that costs of production are equal to the home consumption price, namely, 14s. 6d. a bushel. The Agricultural Council's decision is that the export price is to be 14s. 6d. a bushel, so it means, in effect, that there is no profit either on the export price or the local price.

Mr. Jenkins—It depends on the bushels per acre.

Mr. STOTT—In 1952-53, the cost of production was 12s. 7d. a bushel, and the price of wheat for local consumption was 14s. 1½d. The 1½d. is for moving wheat to Tasmania, so we can forget that and call it 14s., which means a margin of 1s. 5d. a bushel over those years. The next year was exactly the same.

In order that the figures will not be misunderstood I will quote them. They are as follows:—

Year.	Cost of Production.		Home Consumption Price.	
	s. d.		s. d.	
1953-54	12	7	14	1½
1954-55	12	7	14	1½
1955-56	13	1	13	5½
1956-57	13	8	14	4
1957-58	14	2	14	6

In 1958 the cost of production has been fixed at 14s. 6d. a bushel, plus 2d. which is the freight on moving wheat to Tasmania. The export price is 14s. 6d. and the home consumption price 14s. 6d., so there is no profit at all. I now come to the point made by way of interjection by the member for Stirling (Mr. Jenkins). The 14s. 6d. a bushel does not represent the net return to the grower. Cost of production is worked out in the following manner: we take the total aggregate costs and then deduct 10 per cent, which is the allowance for wool, barley and other sidelines which the farmer may have, and then we get to the net costs at sidings. Having got that we then allow for the Australian Wheat Board's average cost of freight, administration and storage and other costs associated with handling wheat and add that to the net costs at sidings, which then gives us the F.O.R. ports basis, which is 14s. 6d. The grower has to pay his freight and the administration charges, so, in effect on average in South Australia the 14s. 6d. gets down to 12s. 3½d. We have to recognize the important fact that this is not a South Australian scheme; we have to get this through the whole of Australia.

In New South Wales wheatgrowers are particularly hostile and resistant to this proposal because the average freight in New South Wales is now 1s. 10d. a bushel. The Government of that State has subsidized rail freights to make that rate possible. If we take that plus 9½d. a bushel, which is the total average of the storage administration costs of the Australian Wheat Board, we have 2s. 7d. a bushel off the 14s. 6d. and we can see what the average grower in New South Wales gets. We know on figures we have that people cannot grow wheat for that price in New South Wales, hence the terrific insistence for the recognition of a margin of profit. Some people have said that at 14s. 6d. the scheme does not sound too bad as far as South Australia is concerned, but we cannot get the scheme through merely because it suits South Australia alone;

we have to get it through the whole of the Commonwealth. In other words, if we were satisfied and New South Wales were not, what would be the use of it? We must have a scheme which is suitable on the average throughout Australia. During the entire period of the wheat stabilization history the yield divisor has been linked to a period of years.

Mr. Hambour—Who fixes the divisor?

Mr. STOTT—The Wheat Index Committee, which is set up under the authority of the Minister for Primary Industry, previously the Minister for Commerce and Agriculture (Mr. McEwen). His advisers are the director of the Bureau of Agricultural Economics (representing the Commonwealth Government), Mr. Bill Miller of the New South Wales Department of Agriculture (representing the State Ministers of Agriculture), and myself (representing the Australian wheat industry). That committee is authorized to go into these costs and make a recommendation, but the final decision is made by Federal Cabinet. Previously we have linked this yield divisor to a period of years for a specific reason. If one is working out a table of costs, the most important factor in the index is the yield divisor. After all, the division of the aggregation of costs by 15.5bush. will give a different answer from its division by 14.8bush. That is all the more reason why the yield divisor should be anchored to a period of years. Previously it was linked to a period of 20 years and was 13.5bush. per acre all over Australia. We got all that information from the Statistician, who gave us the yield over a period of 20 years (13.5bush.). We accepted that in the past. To obtain a realistic approach to this concept of wheat costing one must study the improved technology of the production of wheat over the past 10 years.

Mr. O'Halloran—And the fact that much uneconomic land has gone out of wheat production.

Mr. STOTT—Exactly. To take a 20 years' average at present would be weighted too much against the improved technology and yield of the past 10 years; therefore, I recommended **that we link the yield divisor to a 15 years' average**, which equalled 14.8bush. per acre. The other two members of the committee, however, did not agree with my concept and it was finally left to Federal Cabinet to determine the yield divisor. Cabinet came back with a divisor of 15.5bush. per acre.

Mr. O'Halloran—They shortened the period?

Mr. STOTT—No; they didn't do anything.

Mr. King—They took the majority decision of the committee?

Mr. STOTT—I do not want to go into that but I can say, without divulging confidences, that each member made a separate report. My point is that the 15.5 is not related to any number of years at all. What does that mean? In effect, that out of the air they plucked the figure of 15.5 bushels per acre to equal so many pence per bushel. I submit that that practice destroys the whole concept of wheat costing. If there is to be a wheat costing system and the aggregate costs are determined, but then a yield divisor is selected out of the hat to equal so many pence per bushel, what is the use of having the costing in the first place?

Mr. Shannon—Did your two colleagues on the panel agree with what you say, that a figure was plucked out of the hat, or did they have a basis for 15.5?

Mr. STOTT—They had no basis at all. The honourable member should read the document. I am skating on thin ice here.

Mr. Shannon—You may be.

Mr. STOTT—Not in the way the honourable member is sneering about it.

Mr. Shannon—You are sneering at the other two members of the panel.

Mr. STOTT—I will not disclose a confidence, but I will explain it this way: they said, in effect, that because of improved technology the best basis today was 15.5 bushels. I submit, however, that it is wrong to say, "Well, because of this we assume that 15.5 should be the yield divisor," because that destroys the whole concept of wheat costing. The yield divisor should not be based on assumption: it must be realistic and factual, and to be factual it must be linked to a period of years.

Mr. Hambour—What was the majority recommendation of the committee?

Mr. STOTT—It did not make one: the three members each made their own recommendation. The committee has power only to make a recommendation; the final decision is not ours. There was a difference of opinion among committee members, so each made a separate report on the yield divisor, and the Minister made the final decision.

Mr. Hambour—Was yours the best in the interests of the wheat grower? Did either of your colleagues submit a figure lower than 14.8?

Mr. STOTT—No. The lower the figure the higher the price.

Mr. Hambour—I accept that, but was yours the best divisor for the wheat grower?

Mr. STOTT—Yes, undoubtedly. I based mine on an aggregate period of years. I would not say 12 years because that would give too much weight to the improvement over the last 12 years.

Mr. King—How do you know that the other members did not base their figure on the last 12 years?

Mr. STOTT—Because 15.5 cannot be found in any of the statistician's figures.

Mr. King—They may have taken out their own.

Mr. STOTT—Yes.

Mr. King—Then it would have been based on a period of years.

Mr. STOTT—No. My 15 years' average of 14.8 would give a price of 15s. a bushel instead of 14s. 6d. There may be some difference of opinion about my next point, for it is a matter of opinion. The industry has asked for a recognition of profit, but the question is: "A profit on what?" Is the industry entitled to a profit margin on its net costs at siding or to an overall profit on an f.o.r. ports basis? There is a difference of opinion on this question, but I admit that the industry is on very thin ice if it is asking for a recognition of profit on the freight it pays from the siding to the port. That admission, however, does not destroy any argument in favour of the recognition of a profit margin on net costs whatever they may be.

Every industry has enjoyed the recognition of profit. It is recognized by the Minister for Customs, and every application made to the Tariff Board for protection is made under the policy that provides that secondary industries are entitled to a recognition of profit. If there is a 10 per cent profit on machinery the farmer must pay the full price, including the 10 per cent profit granted. That principle is accepted all over Australia. In the past the State and Federal Governments have recognized that the wheat industry, too, is entitled to a profit. The principle has been written into the legislation and the difference was 1s. 5d. a bushel. The industry received that. If it was entitled to that recognition of 1s. 5d. a bushel above cost of production on the home price in 1952-53, where is the justification for not giving it anything at all today? It cannot be justified by any stretch of imagination. They are the points at issue, and the industry has

asked that the Agricultural Council be called together again to consider the margin of profit. Now I shall deal with another important aspect. We were informed by the Minister that the Australian Agricultural Council was not prepared to recognize a margin of profit now, but would have another look at the question in 12 months. In other words, the council thought, "Well, there is a case for a margin of profit, but we are not prepared to consider it now, but we will in 12 months." That places the industry in jeopardy. Wheat legislation must be uniform throughout the State and Commonwealth Parliaments, and the figure of 14s. 6d. will have to be written into the clauses relating to prices. That will become the base price. All the wheat index committee can do after that will be to ascertain the annual movements in the price of commodities contained in the index formula and then ask for a percentage to be added to the base price. The difficulty is that the base price in the legislation cannot be altered. If the Agricultural Council was prepared to recognize a margin of profit to the industry, in 12 months the legislation throughout the States and the Commonwealth would have to be amended. I think the South Australian Government would be prepared to amend our legislation accordingly, for it has not been altogether unreasonable in these matters, but all State Governments, except one, may agree to amend their legislation. Let us suppose Victoria would not. Nothing could be done about that, so the chances of a profit margin in 12 months would depend on the decision of the Government of one State.

Mr. Shannon—If the Victorian Government refused to bring down legislation this year there would not be complete agreement throughout Australia, so the position would not be any different.

Mr. STOTT—The point is that the legislation expires on September 30, and unless new legislation is passed throughout Australia the whole scheme will go overboard. I don't think any Government would be prepared to go that far, so Victoria will probably pass legislation this year fixing the price at 14s. 6d., but in 12 months it may not be prepared to amend it.

Mr. Shannon—If you cannot get a profit margin written in now because one State stands out you are in the same position as may apply in 12 months.

Mr. STOTT—No. If one State stood out now the whole plan would go overboard.

Mr. Shannon—You would say if you cannot have the full loaf you will take half.

Mr. STOTT—We are asking the Agricultural Council to have another look at this matter. The best thing would be to have an agreement on the base price with a term of five years, and then we would not have to ask the Parliaments to alter it again in 12 months. I don't think any Parliament would be happy about introducing amendments in 12 months, and neither would the industry. I hope the Agricultural Council will consider this matter and realize that a profit margin should be allowed now.

Recently Soviet Russia agreed to extend credit to Ceylon up to 120,000,000 roubles, which is the equivalent of £13,400,000 in Australian currency. The credit will be available for five years at an interest rate of 2.5 per cent per annum. Many projects are listed under this scheme, among them being the establishment of a flour mill with an annual capacity of 70,000 tons of wheat. The Russians will supply equipment and materials and assist in the construction, maintenance and operation of the mill. It is not yet known when the mill will be in operation. I am sure the member for Barossa (Mr. Laucke) is interested in what I have just said, for it is a threat to Australia's flour export trade. I am pleased to pay a high tribute to the Commonwealth Minister for Trade (Mr. McEwen), for he recently negotiated with Ceylon for that country to take 20,000 tons of Australian flour during the remainder of 1958. That important contract was achieved in the face of great difficulties, especially as France was selling flour and wheat to Ceylon at subsidized prices. The United States of America and Canada also were trying to capture the flour trade in Ceylon by subsidizing prices, and every time Australia tried to meet the market France dropped her price lower. Australia had reduced the price by £3 a ton and recently by a further 2s. 6d. to help this market.

The wheat industry hoped that Ceylon would agree to take up to 100,000 tons of flour in a full year, so it was a startling announcement that Russia and Ceylon had entered into a bilateral arrangement to establish a flour mill in Ceylon to handle 70,000 tons of wheat annually. To some extent that reduces the possibilities of Australia's new agreement with Ceylon. In France the exportable surplus from the incoming crop of wheat is expected to be 62.5 million bushels. Farmers are reported to be lukewarm in their attitude to General de

Gaulle's request for sacrifices in the interests of the national economy. They expect this to mean that they will be asked to accept a much smaller increase in the guaranteed price for wheat than would be normally due under the existing legislation. In Italy a conference began at Stresa on July 4, primarily to discuss agricultural problems within the scope of the European common market. Three working committees were set up under the chairmanship of the Italian, French and German Ministers of Agriculture. One committee headed by the Italian Minister considered the present state of agriculture and the national agricultural policy in the member countries of the European common market (France, Italy, Germany and the Benelux countries). A second committee, under German leadership, considered the effects of the common market treaty upon agriculture in member countries. The third committee, led by the French Minister, examined the long-term aims of a common agricultural policy for the member nations and the shape of such policy, bearing in mind relationships with other European and non-European nations.

In India, despite efforts to attain self-sufficiency, production of rice and wheat still lags behind consumption and appears likely to continue to do so. At least 2,000,000 to 3,000,000 tons of both grains will require to be imported during the next two years, plus another 1,000,000 tons during the latter half of 1958. The Government is at present negotiating a new (public law) 480 deal with the United States and when the advantages obtained from the first P.L. 480 deal of 1956 are considered the reasons for this interest in the new P.L. 480 deal is obvious. The book value of the surplus agricultural commodities shipped to India under the first P.L. 480 deal was 550 million U.S. dollars. India obtained these commodities for an outlay equivalent to 306 million U.S. dollars, with approximately 55 per cent of the value placed in them by the U.S. Commodity Credit Corporation. Most attractive from India's point of view was the fact that the goods were paid for in rupees, the only foreign exchange commitment being for 50 per cent of the ocean freight payable in dollars. When it is considered that approximately 90 per cent of the outlay is made available to India as a loan, for use in developmental projects, the Government's announced intention of negotiating another P.L. 480 deal is readily understandable. Information from the United States of America states that authority has been granted

for a P.L. 480 deal involving 39.2 million dollars. The deal includes 13.4 million bushels of hard wheats and 3.7 million bushels of soft wheats, and payment will be made in rupees.

This means that our traditional Indian market will be greatly affected. Under the previous arrangement we had a wonderful market there, but because of India's problems we cannot place much reliance in the future on that market.

Sir Douglas Copland in an oration the other night said that the population of the world, 2,700,000,000, would double by the end of the present century, in about 40 years' time. Therefore, it seems to be a challenge, and an opportunity for us to assist as a nation by pursuing greater expansion and development and encouraging increased population in rural areas to produce more food and more goods, thus providing opportunities for the machinery market and the production of goods in secondary and manufacturing industries. I have said previously that if we do not have an adequate rural income we cannot have employment in factories and the same turnover as previously. Our population is increasing by 2.5 per cent per annum. Current trends in increase of immigration and population expansion will mean 25 per cent, but the available work force from schools will increase by 35 per cent. This shows that a very bold and vigorous policy on education and housing is necessary.

Our Government has announced an increase in the loan for housing through Government instrumentalities to £3,500, which is a realistic approach to the problem. I would like the increase to have been to £4,000, with 95 per cent of the valuation available. Many young couples, particularly migrants, need homes and because of their families require three bedrooms, but it is difficult to get such a home with modern conveniences under £4,000. The Government should make more money available for the building of rental homes. Many young people about to marry cannot find the necessary £160 deposit, and this applies in both the city and the country. At Waikerie, Loxton, and to a lesser degree Karoonda, we are building up a work force and many of its members are wanting to be established in those towns, but find on their present salary that it is difficult to get the £160 deposit required for a home. This means they must rent one but unfortunately rental homes are not available. The Housing Trust is doing a fair job and has built flats, etc., in Adelaide, but it should

build similar types of accommodation in country towns. I hope the Minister in charge of housing will consider this matter. The greatest development in rural areas is taking place in my electorate. Messrs. Smith & Son and Gramp & Sons have purchased land between Waikerie and Cadell for planting with vines, which means tremendous development. A committee has been appointed at Waikerie to work out a project covering about 1,000 acres, to which there will be a pump line from the River Murray. The opening of blocks there will mean an extension of the Waikerie irrigation area. We know what has taken place at Loxton over the last eight or nine years. In the district of the member for Chaffey a new cannery is being established. With the consequent development of the wine industry at Waikerie a work force will be attracted and many of the young people will want a home, but they will be unable to find the necessary deposit.

Mr. Hambour—Decentralization is not going badly in your district.

Mr. STOTT—We have a wonderful scheme at the Loxton soldier settlement. Private concerns have been attracted to the river because of economic conditions. In the non-irrigated areas their production is falling and because of the increased population, with a consequent increase in demand for wine, they are alert to the necessity of establishing vines under irrigation and they have gone to the only area where the soil is ideal and where development offers greater economic possibilities—to my electorate.

Mr. Hambour—There is some development in my electorate, too.

Mr. STOTT—That is so. The point is, that the development is in the Upper Murray regions. The Government should examine this question of housing. I was disappointed that in the Federal Budget more provision was not made for housing. Unless a concerted effort is made we shall not overtake the current lag in housing in a decade. The greatest concern of Governments today should be the fall in rural income. Income from wool is at its lowest level since 1948. The drop in wool prices has had its effect on the budget. The farmer is seriously concerned about his drop in income and naturally is wondering whether he is getting the best possible price for his wool. He is anxiously examining the wool-selling system operating in South Africa and New Zealand. In those countries wool is appraised according to its value, length, staple,

and so on and a reserve minimum price is determined. If the wool buyers are not prepared to pay the reserve minimum price the wool is withdrawn from sale and resubmitted later. This scheme operated with great success until the recent drop in wool prices. Several factors have influenced wool prices. I referred earlier to the recession in the United States, where unemployment got out of hand, causing goods to remain on the shelves. Wool-len goods were not purchased and this had its effect on the United States demands on the Australian wool market. The Suez crisis, during which shipping rates increased to 225s. a ton, had an effect and the fact that woolbuying houses were forced to pay the higher rate of sterling caused a decrease in wool prices.

We are told that nothing can be done about wool prices: that auction sales govern the price of wool and that the law of supply and demand operates. We should have another look at this question. If scholars were asked to write a thesis on the Australian wool industry they would naturally go to their school libraries and study the history of the industry, with the result that one of the first paragraphs they would write would be that the Australian wool industry could not meet the demand for wool throughout the world. If that is so, what we are wondering is that if the price of wool fell correspondingly with the rise in the sterling interest rate why is it that we cannot meet the demand for wool today and why haven't wool prices recovered? It is hard to believe that the auction system entirely governs the price of wool.

Another point that is agitating the minds of woolgrowers is the fact that two sales ago in Sydney only six or seven buyers operated. New South Wales growers believe they are not getting a proper price as a result. It is also well known that the woolbuying houses closed down the Goulburn woollselling centre without consulting the woolgrowers. Notwithstanding the negotiations that took place the woolbuying houses have refused to recognize Goulburn as a woollselling centre. The growers have now been asked to subscribe to a debenture scheme to finance the Goulburn woollselling centre and the response has been amazing. The growers are determined to re-establish Goulburn as a woollselling centre. When such things are happening it is no wonder growers are fearful when they see a tremendous drop in wool income which affects their own finances. They ask, "Are we getting the best results

from the present woollselling system?" The Western Australian growers believe that they are not getting the best results and have worked out a proposal for the sale of wool similar to that in South Africa and New Zealand.

A few weeks ago at a conference in Perth delegates discussed what has become known as the Western Australian wool plan. The final outcome was that a committee representing all States has been formed to go into this question to see if it is possible to improve the woollselling system and by what methods. In New South Wales Mr. Saleh has made another proposal. He does not do away with the auction system, but appraises the wool, fixes a reserve price and offers it for auction. If the bidding does not reach the reserve price the wool is withdrawn and resubmitted later. It is similar to the J.O. woollselling plan except that it does not include skirtings and locks. They can be sold to the local trade, so it is confined to fleece wool. We get these questions. What will the Western Australian plan do? It will give an average price for the type of wool submitted for sale, eliminate auctions, eliminate dealers to some degree and perhaps eliminate buying combines. It should save the profit (or loss) made by dealers or buyers who are not manufacturers, and it would have no relation to the cost of production. What would be necessary to have this plan adopted? It would involve the agreement of brokers to handle the wool under the new system, and the agreement of a majority of growers to the abolition of auction sales, and also to have their returns pooled and averaged. It would also include an agreement by growers to accept an elected body to be their sole selling authority.

A wool selling authority would be set up similar to the Australian Wheat Board. It is wrong to have statements in the press and speeches by members of Parliament ridiculing the idea that the present wool selling system can be altered. I do not agree. I do not have to remind the House that Australia has been carried as a result of the income from wool. There can be no harm in an examination, in the interests of growers, of the present woollselling system. First, we have to ask ourselves this question—Is it right and proper that the wool grower should receive a profit for growing his wool? If the answer is "Yes," the second question that must be asked is, "How do we go about it?" Probably we could adopt the same system as applies in New Zealand and South Africa. They have a reserve minimum

price, which is not necessarily related to cost of production, but is very near to it. The wool can be withdrawn if it does not reach the reserve price. When honourable members say that we cannot do away with the auction system, they should remember that during the last few sales in South Africa and New Zealand the price has dropped because there was no reserve price principle for Australian wool. In other words, Australia has been used to lower the price of wool. Buyers have gone to New Zealand and South Africa and have not bid to the fixed reserve price. Consequently, the authorities in South Africa and New Zealand have been forced to withdraw the wool from sale, and to such an extent in New Zealand that the authority has spent £19,000,000 of the reserve price money to hold an equivalent quantity of wool. What is going to happen to that country? Very shortly, if the buyers do not bid up more and the wool is put on the market again and it still does not reach the reserve price for the new season's clip, they will probably come to the end of the reserves of money in hand and the whole scheme will collapse, which is what the international woolbuyers want.

We are faced with that position in Australia and what are we going to do? In view of what I have told the House regarding our rural economy and the position in nearby Asian countries where the prices of rice and tea have fallen, one can imagine what will happen to our national economy if the price of wool drops. With great respect, it is idle nonsense to say that we should not interfere with the present auction system of selling wool. It is important to our national economy that we should get the best possible price for our wool, commensurate with world demand. If Australia was in line with New Zealand and South Africa and had a reserve price on wool when it was submitted for sale, obviously we would be doing the same as those countries, and no wool would be sold under the reserve price. Australia, New Zealand and South Africa hold all the wool of the world in their hands.

It is probable that New Zealand will close down altogether because of the effect of the market. I do not say that we should do away with the auction system or with the wool selling houses, but should have a full examination of what is going on under the wool selling system to see not only that the interests of growers are safeguarded by creating an adequate price for wool, but that our

national economy is safeguarded in order to get sufficient to carry on as a stable nation with a stable economy. Everyone knows what happened in the last depression when the price of wheat and wool fell. This was the forerunner of the depression which existed throughout the world in the thirties. I am not an alarmist when I say that we might experience that again. I hope we will not, but the position is that at the last sale many growers accepted prices for their wool which were below the cost of production.

I hope we shall get a little more rational thinking on this question of wool prices. When the last Adelaide wool sale was held there was also a sale in Brisbane on the same day. Does anyone say that woolgrowers who had wool on the Adelaide floor got the right price for it when half the buyers were bidding in Brisbane? This was not arranged by the growers, but by the international wool selling houses with the brokers here. In order to get some reasonable approach to the question, the growers' organization should be consulted as to where and when the sales are to be held. I do not think we could get the growers' organizations to agree that a sale should be held in Brisbane on the same day as one in Adelaide. I have said enough to justify an investigation to see whether we can improve the wool selling system. I do not mean that we should do away with the auction system or with woolbrokers; we should retain them, but let us examine the matter and see if we can work in harmony with South Africa and New Zealand. Unfortunately, when the J.O. wool organization wound up some time ago a plan was submitted to growers that the amount of money that had been held in reserve from the stockpile of that organization should be set aside for an authority to buy wool at a reserve price. A similar plan is operating in New Zealand and South Africa, where the growers voted in favour of it, but unfortunately Australian growers turned it down. That is why we have not the same wool selling system as those two countries.

If this inquiry goes ahead and we decide to have a reserve price we will be working in complete harmony with New Zealand. However, it would have to be subject to a referendum of growers, and if they reject it we must abide by the decision, but it is the duty of those in high public positions like myself not to reject offhand any examination into wool selling systems, but to consider them and say to the growers "This is what was found after

an exhaustive inquiry. Now it is up to you. If you vote in favour we will have the authority set up, but if you turn it down we cannot do anything about it." We are living in a democratic country, and neither Parliament nor anyone else would be courageous enough to put any plan into operation without the approval of growers on such an important matter.

I now come to a matter in which I have been interested for some time—the exorbitant rates of interest charged under hire-purchase. I referred to this on May 23, 1956, and my remarks appear on page 229 of *Hansard* of that year. Yesterday afternoon the member for Burnside (Mr. Geoffrey Clarke), gave a clear explanation, from his point of view, to show that there is nothing wrong with the system and, in effect, there is nothing wrong with the interest rates charged. He said we can do nothing about it because it is a frailty of human nature for people to buy what they want—a motor car or refrigerator—under hire-purchase and if they sign an agreement to pay 14, 18, or even 20 per cent interest, it is unfortunate but nothing can be done about it because of this frailty. There must be something wrong with human nature on the other side of the ledger. I have not noticed much frailty in the way they charge such high interest rates.

From the outset, let me make it clear that the system of buying under hire-purchase and repaying by monthly instalments has become the accepted system and an integral part of the national economy, and I am not now having I ever been against it. On July 31, 1957, as reported on page 221 of *Hansard* of that year, I said that we cannot do much about the system, which is here to stay, but we should do something about the rapacious interest charges. I also drew attention to the effect it was having on the national economy. It is well known that every time we go to the loan market we are told we cannot float a loan because the money is not available, but what has happened to the money is well known. Members can see from the *Financial Review* that many of the principal financial institutions have invested money to create hire-purchase companies in order to get a bigger profit out of the high interest rates. I am not blaming the banks or the financial institutions—that is business.

Mr. Jennings—It is robbery.

Mr. STOTT—It may be. I suppose the honourable member could quote, as I could, that many centuries ago the great Saviour of

humanity kicked out of the temple usurers who were charging far lower interest rates. The policy adopted by Canberra was, in effect, instigated because we had inflation and we had to do something about controlling prices. In order to do that it was decided to draw off from the banks every quarter surplus money to be deposited in the central bank in a fund known as the Frozen Central Bank Deposit Account. When it was started the banks were allowed 10s. per cent interest on their credits in that fund. They made a cry to the Commonwealth Government and the Commonwealth Bank for the release of those deposits, and the backroom boys in Canberra, particularly Treasury officials, some of whom I know very well and with whom I have had many arguments, but whose ability I respect, said, in effect, "No, if we release this money it will create more inflation, prices of goods will go up, wages will increase, and it will be dangerous to the economy."

The banks then tried to put pressure on the back benchers in Canberra to put pressure on the Government to bring down banking legislation so that the private banks could get a more competitive side of the business with the monopoly, as they called it, of the Commonwealth Bank of Australia. Hence the Banking Bill was introduced, but it was defeated in the Senate. In effect the banks said, "We are the custodians of depositors' money and we are not going to sit down and allow this policy to draw off all that money and interfere with expansion. We will take some of this money and invest it in hire-purchase companies," which they did. I am not speaking out of turn by saying that the E.S. & A. Bank invested £2,000,000 in forming a hire-purchase company known as Esanda. The Bank of Adelaide followed suit, and so did other banks. I put to you, Mr. Speaker, that one day you might be sitting on the Treasury benches.

Mr. O'Halloran—The honourable member is pointing in the wrong direction!

Mr. STOTT—I am sorry—In Parliament you never know what will happen. If you go to the Loan Council today and ask for money for bridges, waterworks, the police force and other things, you are told by the Treasurer that the loan market is not available. The money, of course, is in the hire-purchase companies. I am not blaming the banks; I am attacking the policy. The banks were smart enough to realize the position and operated accordingly. With an import restriction policy and credit

restriction both in operation, when a farmer wanted to expand he was told to increase his production so that more could be grown and more could be sold overseas. The banks told the farmer "Nothing doing." That was a foolish policy of which we are feeling the effects today.

Having taken part in those speeches and studied the matter closely, I am pleased to observe today that Liberal Governments in Queensland and Victoria and the Labor Party in South Australia are prepared to go as far as introducing legislation to control interest rates and hire-purchase. They have my support; it is right.

Mr. O'Halloran—We are always right.

Mr. STOTT—I do not know that I am always right. At least I believe I am right in this. I have studied it for a long time and know what is going on in the rural areas. I hope that the Premier of Queensland, Mr. Nicklin, will be successful in convening a Premiers' Conference to discuss this because the right approach is to get uniformity throughout the country. I hope that that conference will be forthcoming, for the question is important. It is idle to say that it is a frailty of human nature that people cannot help buying goods and paying 14, 15 or 20 per cent interest. If that is a frailty of human nature, it is my duty as a representative of the people to guard them against their own failings.

I have much pleasure in supporting the excellent report of the Public Works Standing Committee on a bridge across the River Murray at Blanchetown. The idea is to build the bridge 33ft. high above the 1956 flood level, with a 24ft. wide span. I do not know where the exact site will be but have a good idea that it will be on the present bluff at Blanchetown. Having given members a glimpse this afternoon of the future of the development now taking place in the Upper Murray reaches, I think the importance of getting this bridge established quickly can be appreciated.

Mr. Riches—The first priority after the Quorn road?

Mr. STOTT—No, the first priority. When the Premier returns from his important mission overseas, I hope he will insert an item in the Estimates to start the preliminary works necessary for building this bridge at Blanchetown. It is highly important for that particular area.

I emphasize the importance of the question I asked the other day about certain portions of high land in the irrigation areas of Waikerie and Moorook. The existing settlers get their water partly through mains and partly by channel. Some high land has no irrigation. Many of these settlers need to irrigate these highland areas so that they can grow more stone fruits or citrus—probably citrus because that seems to be popular at the moment as it offers the greatest future markets in fresh fruit. In that respect these settlers have applied to the department to get the water in the high lands but have been refused for the obvious reason that the pumping stations are not adequate to provide more water if they allow the high lands to be planted with citrus. That means that the pumping stations must be looked into and the pipelines extended in order that these settlers may expand their holdings. We cannot stagnate in our view of these problems. Many of these settlers have been there for years. In some cases their sons have grown up and want to stay with them. As the father grows too old to work the whole of his block, his son can come along and work it with him, but an ordinary block of 20 to 25 acres does not provide a sufficient living for two. If this high land can be extended, father and son can work together in partnership but the fact that the pumping stations are not big enough to allow the water supply to be extended to these areas is holding things up.

The same applies to Waikerie, to a greater extent. Many of the people there are an excellent type of orchardist growing some of the best oranges anywhere in Australia. They are anxious that the high land shall come into production. At one time it was argued with a great deal of force that it would be unreasonable and unwise to extend our irrigated areas by planting certain vines and citrus fruit. Some of the experts, whose documents can be looked at, frowned on the idea of expanding these citrus areas. There would be no market for them. Too much reliance was being placed on New Zealand. Consequently, more citrus would provide no more market. Since then,

during the last decade, the population of Australia has increased tremendously, at the rate of 2.5 per cent per annum. Strangely enough many immigrants today have done marvellous things for Australia. They have taught us how to appreciate the consumption of orange juices; they go crazy on them and enjoy them greatly. Some people—I do not wish to mention names as that would be unfair—are considering going to the Upper Murray reaches and growing oranges there to exploit the orange juice market. With that in mind an examination was recently made of this position by the Bureau of Agricultural Economics in Canberra, which decided that we could expand the citrus industry and that the most likely and best place in Australia for its expansion was in the upper Murray reaches in South Australia.

It can be seen that the two points I have made become more important than ever. Firstly, the Government should, as the Minister has stated it is doing, look into this question of increasing the facilities at the pumping plants at Waikerie and Moorook so that we can reticulate these highlands to enable an increased production of citrus, and secondly, it should do everything possible to increase the production and development of this area in regard to those fruits, and with regard to the wine industry in which, as I have said, tremendous development will take place. The onus is on the Government to accelerate the transport for this produce. We know what happens at Blanchetown today even when two ferries are operating at peak periods, and that is why I am hammering these points. I hope I have set out very good reasons for the expansion of water services in the upper Murray reaches, and I hope that everything possible will be done in relation to the bridge across the river at Blanchetown which should become priority No. 1 on the Estimates.

Mr. DAVIS secured the adjournment of the debate.

ADJOURNMENT.

At 4.52 p.m. the House adjourned until Tuesday, August 12, at 2 p.m.