

HOUSE OF ASSEMBLY.

Tuesday, September 16, 1958.

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

QUESTIONS.

NORTHERN ROADS.

Mr. O'HALLORAN—Has the Minister of Works noticed the press report about the considerable damage done to roads outside northern local government areas? One road that has been considerably damaged as the result of the recent beneficial rains is used a great deal by tourists who travel from Hawker via Wilpena to Blinman. Will the Minister take up with the Minister of Roads the matter of repairs to this road as soon as practicable because following on the recent rains there is likely to be another wonderful growth of wild flowers in the area, which will attract many tourists who would appreciate a reasonably trafficable road?

The Hon. G. G. PEARSON—I am not sure, from memory, whether the road is maintained by the Engineering and Water Supply Department.

Mr. O'Halloran—It is.

The Hon. G. G. PEARSON—I think it would be because the road is outside a local government area. I noticed in the press, and heard over the radio, reports of some difficulty encountered by people towing caravans on the road. It would be premature to think of repairs until it has dried out satisfactorily. I will make inquiries of the department concerned to see if it can be put in good order as soon as possible.

WOOLLEN BLANKETS.

Mr. HEASLIP—The following is an extract from this morning's *Advertiser* under the heading "Blankets 'Do not Spread Infection'":—

Claims that woollen blankets increased the incidence of cross-infection in hospitals were false, the chairman of the Australian Wool Bureau (Mr. W. A. Gunn) said tonight. C.S.I.R.O. tests in Melbourne hospitals had shown that the transmission of bacterial infection by wool fibres was negligible, he said. Manufacturers of synthetic blankets had told U.K. hospitals that much bacterial cross-infection was caused by fluff in the air from woollen blankets.

Then inserted in the article is an explanation that the Royal Adelaide Hospital is replacing

its woollen blankets with cotton ones. The article continues:—

"Australian wool blankets are equal to the world's best. It would be a tragedy if their production were jeopardized by statements which have no foundation in fact," Mr. Gunn said. The C.S.I.R.O. will make public tomorrow its findings after a year's research into cross-infection by fluff from woollen blankets.

The information I have leads me to believe that all tests conducted in England and those conducted by the C.S.I.R.O. in Australia have confounded the belief that wool is the cause of cross infection. They have gone so far as to prove that only 3 per cent of the fluff or fibres suspended in the air in hospital wards is woollen; the remainder consists of cotton and other materials. If this statement is correct will the Premier say why the Royal Adelaide Hospital is replacing its woollen blankets before it is proved that wool, which is so important to the Australian economy, is to blame?

The Hon. Sir THOMAS PLAYFORD—I will get a report for the honourable member.

SOUTH-WESTERN DISTRICTS HOSPITAL.

Mr. FRANK WALSH—A recent press article indicated that the town clerk of Brighton desired to co-opt the assistance of other south-western district councils in forming a deputation to ascertain whether the Bedford Park Sanatorium could be utilized as a general hospital. Without discussing the merits of that suggestion, some time ago I asked whether it would be possible to ascertain from the Chief Secretary the Government's intentions on establishing a south-western districts hospital and whether an area reserved by the Tourist Bureau could be utilized. Has the Premier a report from the Chief Secretary?

The Hon. Sir THOMAS PLAYFORD—The development of hospitals in the metropolitan area will be continued progressively. A strong case has been made out for a hospital in the vicinity mentioned, and as a matter of hard fact, I believe the Government has already acquired land in the south-western district for hospital purposes. The question gets down to one of urgency, and there is not the slightest doubt that the greatest urgency at present is the remodelling of the Adelaide Hospital, which will proceed as soon as the Queen Elizabeth Hospital is completed. I can assure members that the building of hospitals will be continued progressively to serve the full needs of the metropolitan area.

SCHOOL TRANSPORT OF HANDICAPPED CHILDREN.

Mr. CUMBE—Some time ago I made representations to the Minister of Education on behalf of several interested bodies concerning the provision of transport for retarded and handicapped children between their homes and their special schools. Has the Minister a report, and if not can he indicate what progress the investigations have made?

The Hon. B. PATTINSON—I have received reports from Mr. Whitburn, Assistant Superintendent of Primary Schools and one of the officers to whom I have deputed the task of dealing with handicapped children generally, and from the transport officer. I am considering both at present. As soon as I am able to make a decision I will refer the matter to Cabinet, because it is finally a matter of major Government policy as we have not yet embarked on the transport of any children in the metropolitan area.

REIMBURSEMENT FOR STOLEN TOOLS.

Mr. TAPPING—Has the Minister of Education a reply to a question I asked on August 14 relating to apprentices who lost tools from their place of employment?

The Hon. B. PATTINSON—I received a report from Mr. Walker, the acting Deputy Director of Education and chairman of the Apprentices Board, as follows:—

Apparently Mr. Tapping is referring to the Apprentices Act 1950 when he speaks of "some weakness in the Act." As you are aware, this Act pertains principally to the training of apprentices in technical schools. Conditions of employment, wages and, *inter alia*, compensation for damage to clothing and tools are dealt with in the various industrial awards. At my request, the acting chairman of the Apprentices Board (Mr. M. H. Bone) discussed this matter with members of the Apprentices Board last week, and they feel, as I do, that the matter raised by Mr. Tapping is better dealt with by modifications of the Metal Industries Award than by alterations to the Apprentices Act. Clause 22 (a) (2) (i) of the Metal Industries Award is as follows:—

Damage to clothing and tools—Compensation to the extent of the damage sustained shall be made where in the course of the work clothing or tools are damaged or destroyed by fire or molten metal or through the use of corrosive substances.

Provided that the employer's liability in respect of tools shall be limited to such tools of trade as are ordinarily required for the performance of the employee's duties.

I understand that a number of employers insure employees' tools but this, of course, is not done in terms of any award.

WARREN WATER MAIN.

Mr. GOLDNEY—Has the Minister of Works a reply to a question I asked on September 3 regarding the enlargement of the Warren water main?

The Hon. G. G. PEARSON—I obtained a report from the Engineer-in-Chief as follows:—

Access tracks have been prepared over the first 1½ miles from the Warren reservoir in rugged country. Pipe laying has commenced, using some surplus 46-in. pipes transferred from the Mannum-Adelaide scheme. Contracts were let in June for 18 miles of 40-in. steel main which will take the enlarged main to Nuriootpa. Manufacture of these pipes has commenced. It is probable that most, but not all, of these pipes will be laid during the current financial year.

SOUTHERN CARRIAGEWAY OF BURBRIDGE ROAD.

Mr. FRED WALSH—I have received the following letter from the West Torrens Council:—

Recently a petition was received, signed by 42 residents of Burbridge Road, Brooklyn Park, asking that immediate action be taken to provide a properly constructed carriageway on the southern side of Burbridge Road. This road is a dual-highway designed by the Highways Department as an eastern approach to the Adelaide Airport. The department constructed a roadway on the northern side leaving an undeveloped area some 60ft. in width between the roadway and the homes along the southern side. This situation has existed for the past seven years, and the council has from time to time approached the Highways Department requesting that the second lane be constructed, but without success. The conditions, from the residents' point of view, are entirely unsatisfactory, particularly in winter time and, whilst the council is most sympathetic, it is unable to do anything other than transmit the complaints received to the Highways Department. The main request contained in the petition is "for the council to bring pressure to bear on the Highways Department to complete the southern carriageway of Burbridge Road before the winter of 1959."

Attached to the letter is a copy of the petition, which I do not desire to read to the House. The Civil Aviation Department, which controls the airport, has constructed a dual highway between the entrance gate of the airport property and the terminal buildings and parking area. Burbridge Road carries, in addition to airport traffic, considerable traffic that runs on to Tapleys Hill Road. Will the Minister of Works request the Minister of Roads to obtain a report from the Commissioner of Highways on the department's plan for the completion of the carriageway on the south side of Burbridge Road?

The Hon. G. G. PEARSON—Yes. I understand that the Highways Department has completed the dual highway between the entrance gate of the airport and Henley Beach Road. I take it that Burbridge Road is the road running eastward from the junction of that dual highway at the entrance gates. I am familiar with it, and will take up the matter with my colleague and ask for a report.

EYRE HIGHWAY.

Mr. BOCKELBERG—I draw the attention of the Minister representing the Minister of Roads to the deplorable state of the Eyre Highway as a result of recent rains. Mr. Speaker, a letter on this subject was published in today's *Advertiser*, and as it is lengthy I ask leave to have it inserted in *Hansard* without my reading it.

The SPEAKER—No, but the honourable member may read extracts from it.

Mr. BOCKELBERG—May I read the letter?

The SPEAKER—If it is in explanation of the honourable member's question he may refer to it and read extracts.

Mr. BOCKELBERG—It is headed "Road to Eyre Peninsula—Sealing long overdue," and it states:—

According to figures supplied by the Government Statist in 1956-57, Eyre Peninsula supplied 15 per cent of S.A. wool and 27 per cent of S.A. wheat. Iron ore production on the peninsula in 1956 was valued at approximately £16m. The peninsula also supplied a large proportion of export mutton, lamb, and so on.

It will be appreciated, therefore, that little-advertised Eyre Peninsula (which is one-third the area of the whole State) is very important to the prosperity of S.A. and, with its almost 5 per cent of the State's population, does more than its share in contributing to the State income.

Despite this and the conscientious efforts of our representatives, Eyre Highway remains an earth road. Recently, after some days of fine weather, 40 points of rain fell along the general line of this interstate highway. The following morning I left Warramboo by lorry with a load of sheep for the Adelaide market. Because of the muddy condition of the road I was forced to refuel at Kimba, which took 2½ hours to reach (52 miles away from my home). At Port Augusta, where the bitumen starts, another 100 miles and 3 hours further on, I was again compelled to refuel.

The cargo was sold at Adelaide, the auctioneer telling me that if the sheep had not been so affected by the journey they would have fetched 8s. more a head. This experience is not unusual to farmers from here.

Frequently, people here talk of that part of the State lying east of Port Augusta as the

"mainland," as if the peninsula was cut off from the rest of the State and was an island.

When the bulk-handling silos are built on the highway, certain stretches will have to bear much more concentrated traffic than at present, as certain of the present stacking yards will be closed. What will the surface be like then?

The State has in the past few years given large grants to councils along the highway for its maintenance. A considerable portion of these grants has been swallowed up not in normal maintenance, but in the customary heavy repairs after rain.

In view of the importance of Eyre Highway to the State a constructive plan for the road's sealing is long overdue.

It is said that the highway will not be sealed until the population in the farming area on either side of it increases. The view of people over here is that the population will not increase until the road and other facilities are improved.

Will the Minister ascertain from his colleague whether something can be done in the not distant future to improve that highway?

The Hon. G. G. PEARSON—I read the letter to which the honourable member referred and thought it was a good one. I will draw the Minister's attention to it.

THEBARTON GIRLS TECHNICAL HIGH SCHOOL.

Mr. LAWN—For some years students of the Thebarton Girls Technical High School have been using a property next door as a gymnasium. There is an old bakery in the back portion of this property, and the owner has decided to sell it and has offered the land to the Education Department. If the department obtained the land the back portion of the building could be rebuilt for a gymnasium and possibly the front portion used for a domestic arts building. Representations have been made to the department accordingly. Has the Minister considered this and, if so, has he decided to purchase the land?

The Hon. B. PATTINSON—Recently, at the request of the honourable member, I inspected the property with him in company with the Superintendent of Technical Schools, who is the acting Deputy Director of Education, and as a result I referred the matter to the Land Acquisition Committee for investigation and report. As soon as I receive that report, if it is favourable, I can then ask the Land Board for a valuation, and, having received it, I will refer the question to Cabinet and let the honourable member know the position in due course.

VICTOR HARBOR PORT OBSTRUCTIONS.

Mr. JENKINS—During the last century an anchorage located to the north-west of the screw pile jetty at Victor Harbor was used by barges and other shipping for the handling of wheat and wool. Some of the ships cast their anchors adrift and these are now causing some trouble to shipping. Last week a fishing vessel fouled on one of these anchors and it took two divers two days to free it. It was found that the anchor causing the trouble weighed about two tons and stood about 8ft. to 10ft. high. The water is only 18ft. to 20ft. deep at low tide, and possibly a reasonably sized vessel could be wrecked on the protuberance. Will the Minister of Marine bring the matter before the responsible authority to have the obstruction removed or have it marked in some way for the future safety of vessels visiting the port?

The Hon. G. G. PEARSON—The honourable member intimated that he proposed to ask the question and in the meantime I have obtained the following report from the General Manager of the Harbors Board in regard to this matter and also lighting on the jetty:—

These lights are on the same circuit as the navigation light recently provided for the benefit of the fishermen and were connected up at the same time. Pending the installation of a voltage regulator, however, a low voltage may be experienced and for this reason the fluorescent lights at the landing may not operate. The regulator will be put in as soon as possible.

It is possible that the anchor is one used to hold a former mooring buoy in position. The board's information obtained from the diver through the Harbormaster, Port Adelaide, is that its stock is 6ft. above sea bed in 3½ fathoms of water and it would thus not be likely to foul the hull of any small craft navigating in the vicinity. There is no certainty that this anchor is from the mooring buoy, but because it is an obstruction to the anchors of other craft it will be removed.

POLICE ACTION ON THEFT.

Mr. LOVEDAY—Has the Minister of Education, representing the Attorney-General, a reply to my recent question regarding police action on thefts?

The Hon. B. PATTINSON—Through the Attorney-General, the Chief Secretary has supplied me with the following report received from the Commissioner of Police:—

A commissioned officer has investigated the matter mentioned in Parliament by Mr. Loveday on August 19, and from the report now submitted it is clear that the two officers concerned acted on information received in visiting the complainant. Both officers were in possession of search warrants at the time,

and, if they so desired, could have exercised the full authority provided under sections 67 and 68 of the Police Offences Act. Reports are held at police headquarters regarding tools stolen from certain firms of motor body builders, and it is of course necessary that all information received by officers of this department should be investigated. In this instance, the two officers apparently acted in a discreet manner and, after making a cursory examination of the complainant's car, room, and garage, told him they were quite satisfied and then left.

OPENING OF SOUTH PARA RESERVOIR.

Mr. LAUCKE—The South Para reservoir is one of the outstanding civil engineering feats in the history of our State and reflects great credit on the engineers and workmen connected with its construction. Will the Minister of Works consider granting those men a holiday on the day of the official opening in recognition of their excellent work?

The Hon. G. G. PEARSON—The programme and arrangements for the opening of this reservoir on October 17 are taking shape. It has been proposed that the workmen who have been engaged in the construction of the reservoir and who are resident in the camp nearby should be invited to the opening ceremony, which will take place at about 12 noon, and later to a special luncheon at the staff mess, and that the rest of the day should be a paid holiday for them. The department and the Government recognize that these men did an excellent job of work: it looks well and it is of good quality, and we feel that we would like the people concerned to have some special part in the occasion. Subject to confirmation, those are the arrangements which are being considered and which, I think, will actually be put in hand for the day.

FLOODING OF SEPTIC TANKS IN MANSFIELD PARK.

Mr. JENNINGS—I have recently received several complaints from tenants of temporary Housing Trust homes in Mansfield Park, which is an unsewered area. I have taken up this matter repeatedly with the Minister of Works, and only recently received a letter from him stating that there was no hope of this area being sewered in the foreseeable future. The complaints I have received relate to the flooding of septic tanks, and I do not doubt for one moment that this has been due to the recent very wet weather. I am informed that some tenants approached the Housing Trust, seeking attention to the septic tanks, but they were told that it was their responsibility to drain those tanks. The tenants, if they do

that, have no means of disposal other than to the street or in their backyards, which would certainly be offensive. Would the Premier ask the Housing Trust whether it considers that looking after septic tanks is its responsibility as a landlord by way of maintenance, and whether the plight of these people could be alleviated in this way?

The Hon. Sir THOMAS PLAYFORD—I have had no previous communication on this matter, but I will consult the Housing Trust and give the honourable member a reply in due course.

HOSPITAL AND MEDICAL BENEFITS ORGANIZATIONS.

Mr. HAMBOUR—I recently asked the Minister of Education if he would obtain from the Attorney-General a report on the activities of a hospital medical benefits company. I did not name the company at the time, but it was the United Hospital Benefits Company that received the money involved. Constituents of mine received notices from the Federal Health Insurance Company, saying that that company had called a meeting of creditors. Can the Minister of Education inform me as to the result (if any) of the meeting of creditors, as my constituents have heard nothing about it?

The Hon. B. PATTINSON—The Attorney-General has provided me with the following information:—

Legislation has been introduced which will effectively control unregistered medical and hospital benefit societies. The Federal Health Insurance Co. Ltd. is in liquidation, the liquidator being Mr. K. Garrard of the firm of J. Churchill-Smith, Garrard Co., of 112 King William Street, Adelaide. The liquidator has advised that proof of debt forms will be sent to creditors as soon as possible. Until the extent of all claims is known, it is not possible to advise what payment creditors will receive.

RIVER MURRAY BOATS.

Mr. BYWATERS—In many places along the banks of the River Murray are derelict boats which, through not being slipped and given attention, have sunk at their moorings. They are an eyesore to people who use the river and to tourists. Will the Minister of Works see what can be done to have them removed, because the River Murray is the greatest tourist attraction in Australia?

The Hon. G. G. PEARSON—I take it the derelicts were privately owned and that the owners have disclaimed their ownership. However, I will make inquiries to see what can be done to remove them.

NARACOOORTE WATER SUPPLY.

Mr. HARDING—Has the Minister of Works any information about the sum of £10,000 placed on the Loan Estimates for a water supply for Naracoorte?

The Hon. G. G. PEARSON—Information supplied by the Engineer-in-Chief shows that the £10,000 provided is for installing a pumping plant and constructing connecting mains to utilize the new bore recently sunk by the Mines Department. This will augment the township supply and increase pressures in the higher areas in the vicinity of the bore where Housing Trust homes have been erected.

HIRE-PURCHASE AND CAR SALES.

Mr. JOHN CLARK—Prior to the adjournment I asked the Minister of Education to get some information about hire-purchase and car sales, and whether the Government had considered the introduction of legislation to prevent people from suffering financial loss because of dealers' neglect. Has he a reply?

The Hon. B. PATTINSON—The Attorney-General referred the matter to the Parliamentary Draftsman, who suggested that the law should be amended to provide that payment to a retailer would be a valid discharge of the hire purchaser's liability unless he was given clear and specific notice in writing that he had to pay the finance company or some other organization. The suggestion by the Parliamentary Draftsman is being considered by Cabinet.

MOUNT BURR HALL.

Mr. CORCORAN—Has the Minister of Forests a reply to my recent question about the building of a recreation hall at Mount Burr?

The Hon. D. N. BROOKMAN—Preparations of plans and specifications for this building are in hand and it is anticipated that the sum of £12,000 provided in this year's Loan Estimates will be utilized for its construction. The honourable member quoted a somewhat sharply worded letter on the matter, but I point out that the building is being constructed without any contribution being demanded from residents of the district, and it will be a fine building. The only reason for any delay in the construction has been the heavy programme of new mill works in the south-eastern districts which will be of great importance to the forests and will create employment. Any complaints about the building of the hall are not fully justified.

NORWOOD PRACTISING SCHOOL.

Mr. DUNSTAN—Earlier this year, following on representations I made, the Minister of Education intimated that entirely new toilets would be built at the Norwood Practising School. As far as I can ascertain no action has been taken by the Architect-in-Chief's Department. Can the Minister of Education set out the position?

The Hon. B. PATTINSON—At the moment I am not precisely aware of what the Architect-in-Chief is doing, but have no doubt he has the matter in hand. However, I will endeavour to get an authoritative reply by tomorrow.

ADVISORY COMMITTEE ON COUNTRY SEWERAGE.

Mr. RALSTON—During the discussion on the Loan Estimates I asked the Treasurer whether the Government would table the report of the Advisory Committee on Country Sewerage so that the information would be available to members and councils. The Treasurer said that he knew of no reason why the report should not be made available to me and that he would ascertain whether there was any reason why it should not be released to the public. Can he now say whether it will be made available to the public, as it deals with a matter of great importance to my electorate?

The Hon. Sir THOMAS PLAYFORD—I hope to have a copy of the report with me tomorrow, and I think I can make it available to the honourable member.

GRANGE ROAD AT FINDON.

Mr. HUTCHENS—Some months ago I asked a question regarding work on the Grange Road, and from the answer I concluded that the department was awaiting consolidation before any repairs or reconstruction work was undertaken. Can the Minister of Works say when work will be done on the Grange Road in the Findon area and when it will be sealed?

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

The department proposes this year to re-sheet Grange Road with hotmix between John Street and Hawkins Avenue, a distance of approximately 110 chains, to a width of 40ft. No further work has been approved during the current year and it is not practicable to tell at this time when that section beyond Hawkins Avenue will be widened.

HOSPITAL TREATMENT FOR PENSIONERS.

Mr. O'HALLORAN—I have been informed that pensioners who are patients in Government hospitals are entitled to free hospital

treatment, subject of course to a certain means test. Can the Premier say whether the cost of the treatment is borne by the Commonwealth or the State, and will he see whether the same concession can be granted to pensioners who are inmates of Government-subsidized hospitals? He will realize, of course, that there are many Government-subsidized hospitals but few public hospitals in this State. Will he investigate the matter to see whether something can be done to make the concession general instead of sectional?

The Hon. Sir THOMAS PLAYFORD—In connection with Government hospitals the Commonwealth Government makes, I think, 18s. a day available towards the cost of a pensioner's attention. That, of course, does not meet the actual cost which, at the Adelaide Hospital, is about £4 a day. It is obvious that the bulk of the cost is being borne by the State. Subsidized hospitals are not under the direct control of the Minister of Health, but, through the Hospitals Act, under the control of a board of directors appointed by the district concerned. Recent figures taken out by the Government reveal that last year the Government provided country subsidized hospitals with an amount equivalent to what would have been required for the care and treatment of indigent cases undertaken by them. The Government realizes that there will inevitably be a tendency for country hospitals to transfer some patients to the Adelaide Hospital or some other Government hospital, but this is not causing unnecessary concern. I will refer the Leader's remarks to the Minister of Health and if he desires to add to my statement I will advise the Leader.

ZEBRA CROSSINGS.

Mr. CUMBE—On July 24 I asked the Minister of Works a question concerning zebra crossings. He indicated the nature of the recommendations placed before him by the State Traffic Committee and promised to submit them to Cabinet. In view of the confusion still present among motorists and pedestrians, will the Minister indicate whether this report has been considered by Cabinet and when it is likely to be tabled or the matter gazetted?

The Hon. G. G. PEARSON—Whatever comments I made in reply to the honourable member's previous question would have been based on information I received from the Minister of Roads. I am not able at present to say what further action has taken place but I will make inquiries and let the honourable member know.

MARION ROAD RECONSTRUCTION.

Mr. FRANK WALSH—Has the Minister of Works a reply to the question I asked on August 27 relating to the reconstruction of Marion Road and the provision of a new alignment for electric light poles thereon?

The Hon. G. G. PEARSON—My colleague, the Minister of Roads, has now furnished me with the following information:—

The Commissioner of Highways advises that it is not necessary at present to move any electric light poles because of road widening. Generally, if it is necessary to re-locate Electricity Trust poles for the purpose of road construction, the cost is to the Highways Department.

CUT HILL STONE WALL.

Mr. JENKINS—The new road from Mount Compass to Victor Harbour has given great satisfaction to people residing on the south coast, but much interest is being evinced in the future of the old historic stone wall on Cut Hill built in 1860 by two Scotsmen. It is a masterpiece of craftsmanship. Will the Minister of Works ascertain what is intended and whether that wall can be retained?

The Hon. G. G. PEARSON—I shall be pleased to do that.

HENLEY HIGH SCHOOL.

Mr. FRED WALSH—I have recently been notified by the secretary of the Henley High School Council that the grading of portion of the school grounds has been completed. The council desires to proceed with the grassing of the area but is loath to do so because it is unaware of the department's plans concerning the construction of permanent buildings. Can the Minister indicate the department's plans, particularly in respect of the siting of buildings?

The Hon. B. PATTINSON—I shall be pleased to take this matter up with the honourable member as soon as possible, but it is a little premature. We have not come to any definite decision as to the size and scope of the school. We are getting information about possible enrolments in future years, but it is a little early to publicly state how large the school will be and when it will be proceeded with. However, I shall be only too pleased to give the honourable member and High School Council as much information as soon as possible so that they may have some idea of the future location to enable them to plan playgrounds and ovals.

PORT WAKEFIELD-BALAKLAVA ROAD.

Mr. GOLDNEY—Has the Minister of Works a reply to the question I asked some time ago regarding the sealing of the main road between Port Wakefield and Balaklava?

The Hon. G. G. PEARSON—My colleague, the Minister of Roads, has furnished me with the following information:—

The Commissioner of Highways reports that the reconstruction of this road is not included in the 1958-59 works programme. Investigations are in hand to locate materials to enable a crushing contract to be called. It is expected that the work will be commenced early in 1959-60, or if materials and funds are available, possibly towards the end of the current financial year.

GLANVILLE-BIRKENHEAD WATER SUPPLY.

Mr. TAPPING—Has the Minister of Works a reply to the question I asked on August 26 regarding the discoloration of the water supplied at Glanville and Birkenhead?

The Hon. G. G. PEARSON—I have a lengthy report from the Engineer for Water Supply, which indicates that any discoloration of water that has occurred is due to two prime causes. The first arises from the heavy intakes that have been received in metropolitan reservoirs—and, I am pleased to say, in country reservoirs—which create some discoloration; the second is that as soon as summer water supplies are assured the department commences a programme of cleaning pipes by flushing them out to remove any sediment residual therein. For those two reasons some discoloration may have occurred in different places from time to time. The report also states:—

At the present time the water supplied to the metropolitan area is discoloured as a result of the rapid filling of the reservoirs during the last six weeks, during which period the storages have been practically doubled. Following standard practice a start was made on the systematic flushing of water mains immediately following the filling of the reservoirs on July 27. This is being done in a systematic way by all metropolitan water men, and flushing has already been done in the Glanville and Largs Bay area, but not yet in the Birkenhead area. The district engineer requested the chemist at the Glenelg laboratory to take samples of the water from this area for testing, and the results of these tests indicate that there is a complete absence of harmful bacteria in the water in the mains in this district and that it is perfectly safe from the bacteriological aspect. There were, however, some distribution disturbances following upon essential maintenance work carried out on a pressure reducing valve situated on the Morphett Road trunk main. This resulted in a surge of unusually discoloured water which caused complaints to be received from some

residents in the Brighton and Glenelg districts. Some of this water no doubt reached the Glanville-Birkenhead area and could have led to complaints.

PACKING OF APPLES.

Mr. LAUCKE—Has the Minister of Agriculture a reply to my recent question concerning the packing and export of apples in bulk? This question is interesting in so far as it may affect handling costs in the field and overseas transport costs to apple growers.

The Hon. D. N. BROOKMAN—I have a report from the Director of Agriculture as follows:—

Last year the export of apples to the United Kingdom in bulk containers was pioneered by the apple industry in Tasmania. This method of transporting apples over long distances was being attempted for the first time. Non-returnable wooden containers of 25 bushel capacity were used and proved no costlier than 25 single export bushel boxes. Stowage presented a problem as refrigerator chambers on vessels have not been constructed for this size container. As the fruit is not accurately sized, graded or packed, the volume occupied is greater than with orthodox methods. Greater refrigerator space is thus taken up. Containers of this type are suitable for only a small proportion of overseas buyers. Most buyers are able to transport and handle in their stores and shops only the smaller case, and their demand is usually for only a few bushels of apples at any one time. For those large retail establishments who pre-pack in the smaller packages the new system appears to have advantages. The general condition of the trial fruit on arrival at the London docks was equal to packed fruit, and bruising was much less. The Department of Agriculture has taken a leading part in investigations of bulk handling of fruit in South Australia and has watched closely this preliminary trial of bulk apples to the United Kingdom. Next season, provided that satisfactory distribution of the fruit can be arranged in advance with U.K. buyers, similar trials will be carried out with South Australian apples.

RIVER MURRAY LEVELS.

Mr. BYWATERS—Has the Minister of Lands a reply to my question of August 26 regarding the consolidation of banks on the reclaimed areas of the River Murray, in which I suggested that sand be placed over the clay?

The Hon. C. S. HINCKS—I have received a report from Mr. Poole, Engineer for Construction, as follows:—

1. In view of the information given regarding the height the River Murray is expected to reach in its lower reaches this year, no Government swamp should be imperilled.

2. Undoubtedly, there will be a little wash because of loose material on the outside of the bank which has not had time to become con-

solidated by natural processes and which will not have grass growing on it.

3. A layer of sand is being placed on the river side and top of the Jervois embankment at the present moment. Certain other banks had a sandy type clay incorporated in the final stages of construction and will not need this treatment. It is agreed with Mr. Bywaters that the practice is a most desirable one.

COOBER PEDY SCHOOL.

Mr. LOVEDAY—Has the Minister of Education a reply to my recent question regarding the need for a school at Coober Pedy?

The Hon. B. PATTINSON—Following the honourable member's question, I referred the matter to the Acting Director of Education, who caused inquiries to be made of the postmaster at Coober Pedy concerning the number of children of school-going age living in or near the settlement. The postmaster advised that there were no white children of school-going age within three miles of Coober Pedy village. He also stated that there were three white children of school age and that they were resident over eight miles from the village. It was his opinion that the white children were well catered for by the correspondence school and the Ceduna School of the Air. The postmaster pointed out that the average number of aboriginal children of school-going age living within the area would be 15. At times the number would be 20 to 30, but at other times it would be as low as two or three. He agreed to check with the local welfare officer and to provide further information as soon as possible. As soon as I have anything further to report, I will let the honourable member know whether it is desirable or practicable to establish a school at Coober Pedy.

NANGWARRY SHOPPING CENTRE.

Mr. HARDING—Can the Minister of Forests state whether tenders have been called for the construction of a shopping centre at Nangwarry?

The Hon. D. N. BROOKMAN—The South Australian Housing Trust has now completed plans and specifications for a shopping centre at Nangwarry. Last week I approved of the calling of tenders by the trust, which will examine tenders and make a recommendation to the Government.

PAYNEHAM SCHOOL TOILET BLOCKS.

Mr. DUNSTAN—Will the Minister of Education make inquiries on what is now proposed in relation to the toilet blocks at the old Payneham school site?

The Hon. B. PATTINSON—Yes.

COUNTRY SEWERAGE.

Mr. RALSTON—Last Friday, when visiting Portland (Victoria), I purchased a local paper and was rather surprised to read an article, headed "South Australians Inspect Sewerage Works," which stated:—

A party of South Australians, led by the chief sewerage engineer of that State, and high officials on the medical side, visited Portland last Thursday.

I presume this was the highly qualified committee that visited Mount Gambier to express views on the priorities of country towns for sewerage. Can the Premier state whether this committee's visit to Portland has any bearing on the priority of country towns for sewerage, or if not, will he obtain that information?

The Hon. Sir THOMAS PLAYFORD—I will see whether I can obtain the information.

RATING OF TRAMWAYS TRUST LAND.

Mr. FRANK WALSH—I have received a letter from the Town Clerk of Marion in which it is stated that the Municipal Tramways Trust owns approximately 20 acres of land on Adelaide Road on which no rates have been paid since March 1, 1951 (the date of purchase). Hendrie Street, on the western boundary, has a frontage of approximately 1,290ft. and this has been formed, metalled and topdressed, but no moiety has been paid. As vines in excellent condition are on this land, it is evidently being leased by the trust, so is it possible to obtain some rating either from the trust or the lessee? The Government also holds an area of land for the South-Western District Hospital, and it leases the property. It also gets rates for that from the Housing Trust. Could a similar arrangement apply in this case? The Municipal Tramways Trust has 20 acres on Adelaide Road in what is known as Parkholme.

The Hon. G. G. PEARSON—I will make inquiries and get a report for the honourable member.

DAVEYSTON-FREELING TURN-OFF.

Mr. LAUCKE—The island system of traffic direction at Gawler Belt on the Greenock-Gawler main road is working very well, but a similar set-up on the same road at Daveyston, at the turn-off to Freeling, is causing considerable confusion, leading to dangerous situations. Lack of direction signs to Freeling and the location of the Freeling avenues are causing this confusion. Would the Minister ask his colleague to have the position of the

islands reviewed, and the necessary signs erected?

The Hon. G. G. PEARSON—The honourable member has informed me privately that the problem to which he refers is not that the island has not been permanently laid out. So far, it is of an experimental and testing nature. I would assume, therefore, that the Commissioner of Highways is watching the position with a view to deciding whether it is effective or whether some alteration is necessary. If that is so, then naturally he would be glad to have the honourable member's representation thereon. I will ask my colleague whether he will draw the attention of his officers to the matter raised to see whether improvements can be effected before a permanent arrangement is made.

COOBER PEDY OPAL FIELD.

Mr. LOVEDAY—The water supply at Coober Pedy opal field at present consists of an underground tank of 500,000 gallons. The miners on the field and the storekeepers situated on the Alice Springs Road have to cart their water from that tank. I am informed that a Mr. C. Kunoth of Mount Clarence Station has put down two bores (eight miles north-west of Coober Pedy), which give a satisfactory supply of good water. He is willing to make one of these available to the Coober Pedy residents provided it is required. In view of the greatly increased traffic on that road (the main road to Alice Springs) and seeing that Coober Pedy is the logical stopping point on what is a very long journey—400 miles from Port Augusta and 550 miles from Alice Springs—will the Minister have this water supply investigated to see whether in the near future it could be connected to the vicinity of these stores, which are at a strategic point in the area?

The Hon. G. G. PEARSON—I will have the matter inquired into.

DRIVING LICENCES.

Mr. TAPPING—At the moment one has to be 16 years of age before being able to get a driving licence. Recently, an Australia-wide Morgan gallup poll was conducted, which resulted as follows:—23 per cent favoured the issue of a licence at 16 to 17 years of age, 55 per cent desired 18 years of age, 19 per cent said the applicant should be older, and 3 per cent had no opinion. In view of the opinion of the public as expressed by this poll and the accent on the high accident rate obtaining in Australia, is the Treasurer pre-

pared to amend the Act to fix a minimum age of at least 17 years for obtaining a licence in South Australia?

The Hon. Sir THOMAS PLAYFORD—This limit has been fixed by Parliament and, as far as I know, no recommendations for alteration have been made. However, I will examine the position to see if any have been made. Also, as far as I know, the age limit has not, apparently, conspired to bring about additional accidents in that group. So, if those two statements are the case, the answer would be in the negative. I will confirm my opinion by having a docket sent for, and then will advise the honourable member.

HOUSING TRUST RENTAL HOMES.

Mr. JOHN CLARK, for Mr. LAWN (on notice)—

1. What is the total number of rental applications received by the Housing Trust since its inception?

2. What is the total number of rental homes allotted for the same period?

The Hon. Sir THOMAS PLAYFORD—The replies are:—

1. Up to June 30, 1958, 68,254 rental applications had been received, not including applications for emergency dwellings.

2. Up to June 30, 1958, 24,297 rental houses had been allotted, including allotments on vacancies but not including emergency dwellings. The General Manager, Housing Trust, advises that these are the total applications for rental houses. There would be a number of persons who had applied also for emergency houses or to buy a house, and their needs may have been satisfied under those applications. While it is difficult to keep applications up to date, the trust believes it has approximately 7,000 current applications for rental houses. Many of these have only recently been made by migrants.

ADVANCES FOR HOMES ACT AMENDMENT BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend the Advances for Homes Act, 1928-1957.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

HOMES ACT AMENDMENT BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) moved—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to amend the Homes Act, 1941-1957.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

LANDLORD AND TENANT (CONTROL OF RENTS) ACT AMENDMENT BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer), having obtained leave, introduced a Bill for an Act to amend the Landlord and Tenant (Control of Rents) Act, 1942-1957.

Read a first time.

BROKEN HILL PROPRIETARY COMPANY'S STEELWORKS INDENTURE BILL.

The Hon. Sir THOMAS PLAYFORD moved:—

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole for the purpose of considering the following resolution:—That it is desirable to introduce a Bill for an Act to approve and ratify the Indenture made between the State of South Australia of the one part and the Broken Hill Proprietary Company Limited of the other part relating to the establishment of a steelworks in South Australia and to provide for carrying the provisions of the Indenture into effect and for other purposes.

Motion carried.

Resolution agreed to in Committee and adopted by the House. Bill introduced and read a first time.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time.

This is probably one of the most important Bills that have been introduced in this Parliament for many years. Its implications are very far-reaching indeed, and I believe that its results will influence the future development of this country tremendously. The Bill and the Indenture are the outcome of negotiations extending over a number of years. The Government had for a long time held the view that if the Broken Hill Proprietary Company should decide to establish additional steelworks, South Australia had a better claim to them than any other State. Representations to this effect were made to the company.

In February, 1955, the directors informed the Government that although the company's programme of new works was not then sufficiently advanced to permit the immediate erection of additional steelworks the possibility of developments at Whyalla would be considered in 1959 or 1960. The company's programme of construction made good progress and early this year negotiations between the Government and the company were re-opened, and specific proposals considered. The company was favourably disposed towards the establishment of steelworks at Whyalla, but felt that it could not embark on the large expenditure involved in this project without firm arrangements with the Government on fundamental matters. The principal of these, put shortly, are as follows:—

- (a) The availability to the company of iron ore and jaspilite deposits.
- (b) Rights for the company to prospect for all natural substances required for steel making.
- (c) Rights for the company to be granted mining leases giving rights to such substances.
- (d) Security of tenure of prospecting rights and mining leases.
- (e) Satisfactory arrangements for housing and labour.
- (f) Satisfactory supplies of water.
- (g) Rights over certain parts of the foreshore and adjacent land.
- (h) Arrangements to provide that the steelworks would not be rendered unremunerative by too rigid price control.

These were the main requirements. In return the company was prepared to build the steelworks within about 10 years, to pay royalties at rates based on 18d. a ton on the iron bearing substances required for its works, to pay for the prospecting work done by the Government on iron leases taken up by the company, and to pay proper prices for water, electricity, and other services. After much discussion and correspondence, agreement on all the main items was reached between the Ministry and the company. Thereafter a draft Indenture was prepared by representatives of the Government in collaboration with the commercial manager and legal advisers of the company. The draft was subsequently considered in detail by Ministers and approved by them. The object of the Indenture is to set out in legal form the original arrangements made between Ministers and the company, together with the ancillary details.

It is sometimes thought that in giving perpetual rights to iron ore, the State is doing something remarkable or unusual, but

this is not so. Whenever anything is sold outright, the buyer obtains perpetual rights to it. Under our mining laws, whenever a person pegs out a claim and obtains a mineral lease pursuant to the preferential right conferred upon him by the Mining Act, he gets a lease for 21 years with rights of renewal from time to time for an indefinite period. In effect the minerals are sold to him, subject to his doing the work necessary to obtain them. This is what is being done in the case of the company. The company is being sold iron bearing materials in consideration of rents and royalties and an undertaking to build a steelworks. There is not a great deal of difference between the company's mineral leases and any other mineral leases. It is true that the company's leases are for 50 years in the first instance, whereas others are for 21 years, but having regard to the rights of renewal applicable to all leases in this State there is not much difference.

The Bill ratifies the Indenture, provides for carrying it out, and makes some amendments of the law relating to the company's railway between Whyalla and Iron Knob. I will explain the operative clauses in their order. Clause 4 declares that the Indenture (which is set out in the schedule to the Bill) is ratified and approved and shall be carried into effect notwithstanding other laws. It also empowers various Governmental authorities, namely, the Minister of Works, the Electricity Trust, the Housing Trust and the Highways Commissioner to carry out the obligations which fall upon them under the Bill or the Indenture. Clause 5 places a duty on the Governor and Ministers to ensure the carrying out of the Indenture.

Clause 6 enables the Government and the company to vary the terms of the Indenture by agreement, but only for the purpose of more effectively carrying out the intention of the Bill and the Indenture. Although great care and much thought have been put into the preparation of the Indenture, it is realized that as time goes on it may be found necessary to vary some of the details. The simplest and most expeditious way of doing this is by agreement between the parties. Any alteration of fundamentals would, of course, need an Act of Parliament. Clause 6 also provides that any agreement made for the purpose of varying the Indenture must be laid before Parliament and will not come into operation until it has lain before both Houses for at least seven sitting days. This will give members an opportunity

to make known any objections to what is proposed. Clause 7 protects the company and any subsidiary company carrying on works at or near Whyalla from liability based on the discharge of effluent into the sea, or smoke or gas into the atmosphere, and from liability for creating noise or dust. In order that the company may get the benefit of the protection it must be shown that the discharge of effluent, smoke or gas, or the creation of noise or dust is necessary for the efficient operation of the works of the company, and is not due to negligence. It is obvious that a certain amount of noise, smoke and dust is unavoidable in the operation of steelworks and the most that can be reasonably expected of a company operating such works is to take a proper degree of care to reduce these things to a minimum. Clause 8 is a legal matter only, providing that legal proceedings or arbitrations arising out of the Bill or Indenture may be brought by or against the Government under the name of "The State of South Australia."

Clause 9 repeals some provisions of the private Act known as the Broken Hill Proprietary Company Limited's Hummock Hill to Iron Knob Tramways and Jetties Act, 1900. This is the Act which authorized the company to build the railway from Whyalla to Iron Knob. At the request of the company the Government proposes to repeal sections 10, 12, 15, 26 and part of section 11 of the Act. The Government has inquired into the present operation of these sections and is satisfied that they are no longer necessary and can be repealed without injustice. For example, section 10 so far as it is in operation at present says that the company's tramway must have two rails and a gauge of 3ft. 6in. and the rails must be not less than 20 lb. to the yard. On the other hand, the General Tramways Act, which also applies to this tramway, says that the gauge must be 4ft. 8½in. The only effective provision in section 10 is the one which says that the tramway must have two rails. If this means anything, it means that the line cannot be duplicated. Section 12 of the 1900 Act limits the speed of the company's engines and carriages to 25 miles an hour. This is clearly obsolete. Section 15 appears to be aimed at making the company a common carrier with obligations to take all the passenger and goods traffic offering. The company, however, points out that its tramway is not designed or operated so as to be able to provide a service for the general public, and that owing to the growth of motor traffic the public demand for the use of its railway is negligible.

Section 15 also provided that the old jetty at Whyalla had to be available for the shipping or unshipping of goods. This jetty has for some years not been used for any purpose other than the loading of material by the company's conveyor belt, nor is there any demand that it shall be so used.

Section 15 also provided a limitation on the charges which could be made by the company for the use of its railways and jetties, and the substance of these provisions so far as they may now be necessary is retained in clause 11 of the Bill. For these reasons the Government agreed to propose the repeal of section 15. It is also proposed to repeal section 26 of the 1900 Act. This provides that if the railway is not used for the carriage of flux for any continuous period of three years the Government can cancel the company's rights to the railway and thereupon all the railway lands and all the buildings on those lands and the old jetty will be forfeited to the Crown. Such a provision cannot be justified under modern conditions.

Clause 10 provides that several sections in the General Tramways Act shall not apply to the company. The company's railway was for a reason not known to the Government called a tramway and the Act of 1900, which authorized the construction of the railway, provided that the General Tramways Act, 1884, should apply to it. As the General Tramways Act contained provisions designed for the establishment of tramway systems in city and suburban streets, it contains many things which are not applicable to a line such as the Iron Knob railway. The company has asked that some of these sections should be declared not to apply to the company. The Government is satisfied that the company's request is justified. I will give the House some examples of the kind of provisions which these sections contained.

Section 6 provides that the tramway lines are to be 4ft. 8½in. gauge and shall be constructed so that the uppermost surface of every rail is level with the surface of the road. The rails must have a groove not more than 1½in. wide. This is obviously inapplicable. Section 23 provides that the promoters of the tramway undertaking must pay rates at a sum per mile to local authorities. Section 26 provides that if it is represented to the Governor that ratepayers are not getting the full benefit of a tramway the Governor can license some person other than the tramways authority to use the tramway. These are samples of the provisions which are being

repealed as regards the company. I do not think any further details need be given, but if any member desires further information, I will be glad to supply it.

Clause 11 provides that the company may make charges for passengers and goods on the railway not exceeding the amounts charged by the Railways Commissioner for the same kind of traffic, and may make charges for the use of any of its jetties not exceeding those charged by the Harbors Board. This clause is in line with the existing law but contains amendments to remove references to the Marine Board, which has now ceased to exist.

I now come to the provisions of the Indenture itself, which is in the schedule to the Bill. The first clause of substance is clause 3, which sets out the obligation of the company to construct steelworks. This clause binds the company to spend a sum of £30,000,000, neither more nor less, before December 31, 1970. Although the company does not accept any legal obligation to spend more than £30,000,000, there is good reason to believe that the expenditure on the steelworks and associated undertakings will be very much more than £30,000,000. For example, subclause (3) of clause 3 provided that the expenditure on the construction of the treatment plant for jaspilite will be additional to the expenditure on the steelworks. Besides this, there will necessarily be considerable expenditure at Iron Knob and on the leases, and for the provision of water. By subclause (5) it is provided that if the company is delayed in the construction of steelworks by any cause beyond its reasonable control the time for completion will be postponed accordingly. Any such delays will be reported to the State from time to time. The company does not believe there will be any cause for delay in this matter. I believe the company hopes to complete the work very much inside the time provided in the Indenture. During the negotiations 10 years was put in as a long term period, but should there be a war or some other emergency obviously action by the company could be delayed. Clauses 4 to 13 inclusive contain provisions respecting the prospecting and mining rights of the company. As I previously explained, these are fundamental to the Indenture because unless these rights are granted steelworks could not be justified.

Mr. Riches—Don't you think that applied under the 1937 agreement?

The Hon. Sir THOMAS PLAYFORD—As I have explained on a number of occasions, the

agreement created a legal obligation on the company to put in a blast furnace with a capacity of 200,000 tons a year, and it has carried out that obligation. That will answer the honourable member's query.

Mr. Riches—I do not think so.

The Hon. Sir THOMAS PLAYFORD—If the honourable member can show me anything to the contrary, I shall be pleased to see it. I have had the Indenture examined. If the honourable member looks at the *Hansard* report of the debate on the Indenture he will see that, as a back bencher at the time, I drew attention to the fact that the legal obligation on the company was to install a blast furnace with a capacity of 200,000 tons a year. So it was not only in the Indenture, but I directed the committee's attention to that fact. Be that as it may, if I were in the company's position today, with all my desire to support and develop South Australia by establishing a steelworks, I would not do so if I did not have raw materials assured. If the honourable member thinks it possible to get any company to establish an industry of this nature involving such heavy expenditure without an assured supply of raw materials he would be sadly disillusioned. At the beginning of negotiations the company made it clear that it would not be justified in establishing a steelworks at Whyalla unless raw materials were assured.

The effect of clause 4 is to give the company a 20 year prospecting licence over what is called the Middleback Range area. This area is shown in a map attached to the Indenture as Appendix "A." It is a strip of land running north-east and south-west—nearly 6 miles wide and 42 miles long. Iron Knob is in the northern part of it. It contains most of the iron-bearing substances which will provide iron for the steelworks. The company's rights to prospect for iron ore and iron-bearing substances in the area mentioned are exclusive. In addition the company has a non-exclusive right to prospect in the area for substances other than iron ore or iron-bearing substances. The clause also provides that if before the expiration of 20 years the company finds that it no longer requires any rights given by this clause it must notify the Government of that fact and thereupon the rights will cease to the extent indicated in the notice. To prevent interferences with the company's operations it is provided that the Government will not grant mining claims or mineral leases in the Middleback Range area

to any other person unless the company reports that the area concerned does not contain iron ore or iron-bearing substances required by the company. The company is obliged to report on this question whenever requested to do so by the Government.

Clause 5 of the Indenture gives the company a right during the 20 year period to take up any mineral leases it desires in the Middleback area for the purpose of mining and obtaining iron ore and iron-bearing substances. These mineral leases will be for the same term as those provided for in the Indenture of 1937, that is to say for 50 years in the first instance with rights of renewal for periods of 21 years. The form of these leases is set out in the Appendix "B" to the Indenture. The reason for setting out the form in the Indenture is that the ordinary form of mineral lease is not wholly consistent with the special rights and obligations of the company. The main differences between the form in the Indenture and the ordinary form used under the Mining Act are that the form in the Indenture sets out the special provisions as to rent and royalty applicable to the company, and some of the provisions of the ordinary mineral lease which cannot apply to the company are omitted in the new form.

Clause 6 of the Indenture deals with the possibility of discovery of new deposits of iron ore in what may be called "reserved areas." Under section 6 of the Mining Act the Government has power to declare any part of the State to be reserved from the operation of the Act. In a reserved area members of the public are not entitled to peg out claims or obtain mining leases. Some substantial areas are now reserved, and the practical effect is that in these areas no-one but the Government can carry on prospecting and mining. As the reserved areas include land in which iron-bearing substances may exist the company asked that the Government should give it notice of any worthwhile discoveries so that the company might apply for leases if the Government should decide to de-control the area. The Government considered that there was not objection to giving the company notice of these discoveries and the right to apply for leases, but felt that a discretionary power to grant or refuse such applications should be retained. By clause 6, therefore, the Government has agreed to give the company the right to apply for leases over minerals discovered in reserved areas and, while retaining a discretion to grant or refuse the applications, has agreed, when considering them,

to pay regard to the matters set out in the recitals to the Indenture, that is, the facts that the company is establishing or operating steel-works, and the value of such works to the State as a whole.

This clause caused more difficulty, so far as reaching agreement with the company was concerned, than any other. A branch of our Mines Department undertakes much investigational work, and to protect such work from somebody pegging while investigations are in progress, we reserve the entire area from the Mining Act. A typical example has been the investigations in the areas surrounding the present leases at Iron Knob which have, in point of fact, led to this Bill. Before we undertook investigational work in the Middleback Ranges we reserved the whole area from the Mining Act and prevented anyone from pegging. We found at least one worthwhile deposit of iron ore which became the bargaining point for the establishment of this industry. In future we will still reserve areas and undertake mining work and if we find anything worthwhile we will bargain with it. We have in no way impaired our bargaining rights.

Mr. O'Halloran—You do not give the company any presumptive rights.

The Hon. Sir THOMAS PLAYFORD—No. We have told the company that in view of its great interest in iron ore and in the development of this industry we will notify it of discoveries and allow it to apply concerning them. The discretion as to the granting of any applications rests with the Government of the day.

Clause 7 provides that in areas other than reserved areas the company will have the same right as ordinary members of the public to prospect for iron ore and iron bearing substances and to be granted mineral leases. The company is also given the right to apply to the Government for protection of areas in which it is carrying on prospecting or is about to carry on prospecting operations for iron bearing substances. The company pointed out that its prospecting operations or plans in any area might be rendered abortive by a proclamation declaring the area to be reserved from the Mining Act. By way of a safeguard against this, the Indenture empowers the Minister to make declarations that any specified areas are approved prospecting areas. Any such declaration will remain in operation for up to four years, and during that time the company will be entitled to carry out prospecting operations within the approved area

and apply for mining leases without any risk that the area concerned will be declared a reserved area.

Clause 8 is an important clause providing that in addition to the ordinary rents payable by the company for its mining leases the company will pay to the Government a sum of £12,000 a year for 20 years as additional rent for all the leases granted under the Indenture. The purpose of this is to recoup the Government for the cost of the exploratory work which it has already carried out in the Middleback Range area. I make it clear that this amount would not cover all the expenditure the Government has undertaken in respect of prospecting in the Middleback Ranges, but it will cover what would be appropriate to the leases the company may take up. The sum was not easily calculated and was arrived at after considerable negotiation. The prospecting and boring which the Government has done are of considerable benefit to the company as it has shown where additional deposits of iron bearing substances are situated. It has also shown, in some instances, where they are not situated.

Mr. Loveday—The company should pay for that, too, shouldn't it?

The Hon. Sir THOMAS PLAYFORD—The Government went into this with the object of establishing a steel industry, not of locating an iron bearing deposit, and that is the purpose of this Bill. The company did agree to a request I made, that it would help to meet some of the cost of discovering the deposits which might be of substantial benefit to it. Geologists cannot agree on sites for boring and various other matters and the company holds that the Government did much work it would never have undertaken. That may or may not be true; it is a matter of geological opinion. However, the company has agreed to pay £12,000 annually for 20 years as an additional rent to recoup the Government for a substantial amount of the exploratory cost. The benefit of this work will accrue to the company from time to time in the future as its operations progress, and for this reason it was considered equitable to provide that the payment to the Government should be spread over a period of years. In all, the Government will receive £240,000 under clause 8.

Clause 9 provides for royalty at the existing rate of 1s. 6d. a ton to be paid by the company on all iron bearing substances obtained from its iron leases. The initial rate of 1s. 6d. a ton is, however, subject to variation. The

company's legal obligation is to pay 6d. a ton on the ore from all its leases, but when the value of money altered so drastically at the end of the war and there was criticism of that amount, it voluntarily increased it to 1s. 6d. However, that is not a legal obligation and the company could, if it so desired, revert to 6d. a ton. However, this Indenture imposes a legal obligation to pay 1s. 6d. a ton on future high-grade ore and also on ore from existing leases.

Mr. Jennings—You said there is room in the agreement for a variation of the price. How are any future variations to be arrived at?

The Hon. Sir THOMAS PLAYFORD—It is provided in the Indenture. The agreement provides that the rate is tied to a basic selling price of £21 7s. 6d. a ton for foundry pig iron c.i.f. Port Adelaide. For each increase or decrease of a complete pound in this price, the royalty will increase or decrease by one penny a ton. The full rate of royalty will be payable on the high grade iron ore which is fed directly to furnaces or shipped without beneficiation. The low grade ore which has to be treated and concentrated before being fed to furnaces or shipped will carry a royalty of 6d. per ton because it takes approximately three tons of the low grade material to make one ton of material suitable for blast furnaces.

Clause 10 contains some details relating to the payment and computation of royalty. These are ancillary to the provisions of clause 9, and do not call for special explanation. Clause 11 is a clause similar in principle to one contained in the Indenture of 1937 and also to a provision of the Mining Act. It enables the company to amalgamate its leases for the purpose of the labour conditions. This means that it is not necessary for the company to employ any specified number of men, horses or horsepower on any one lease as long as the total number of men, horses and horsepower employed on all the leases satisfies the total obligations of the company in this matter. Clause 12 contains an agreement by the Government that it will collaborate with the company in carrying out prospecting and exploratory work to locate the deposits of substances (other than iron) required by the company for its operations generally. The company will pay reasonable costs of any work done by the State under the clause and the Government binds itself to grant the company the necessary mineral leases to obtain these substances. For instance, if the company desired to use the Mines Department to locate

deposits of limestone, the department would be empowered to undertake the work, and the company would pay the cost of exploration.

Clause 13 gives the company a right to renewals of its mineral leases from time to time for periods of 21 years or any shorter period desired by the company. All mining leases under the Mining Act are renewable indefinitely for periods of 21 years, and the main difference between the rights of the company under the Indenture and the rights which it would have under the Mining Act are that the Government is bound under the Indenture as far as possible to grant a renewal on the same terms as the previous lease. This is, in fact, the practice under the Mining Act. Clause 14 is similar to a clause in the Indenture of 1937 under which the Government agrees to obtain land in certain cases for the company's operations. The clause provides that if the company, for purposes of the steelworks, requires the fee simple or other rights over land comprised in a Crown lease and the Government has power to resume such land, the Government will exercise the power of resumption and sell the land to the company at a reasonable price. The Crown also undertakes to sell to the company at an agreed price any Crown land which is not subject to any lease or agreement and is required for the steelworks.

Clause 15 provides that the Government will within two months after the ratification of the Indenture take over from the company and operate the water reticulation system in the Whyalla water district. The calculations for determining the price are nearly complete and it is contemplated that the new arrangements will come into force without delay. Clauses 16 to 20 contain the provisions which have been agreed on between the Government and the company as to the supply of water to the company. They incorporate and supersede the provisions of the Northern areas and Whyalla Water Agreement made in 1940.

By clause 16 the Government agrees to provide water for the operations of the company and its subsidiaries at Whyalla or within the Middleback Range area. Furthermore, if the company should undertake the local reticulation of water at Iron Knob or any other place within the Middleback Range area the Government agrees to supply the water for that purpose. These obligations, however, are all subject to the conditions that the Government will not be obliged to supply more than one thousand million gallons a year except after three years' notice that a larger

supply is required. The price of the water is set out in clause 16 and the maximum and minimum rates per thousand gallons are the same as in the Northern Areas and Whyalla Water Supply Act, 1940. The schedule of rates has, however, been modified so that the lower rates become applicable a little earlier in the scale of consumption. As an example of what this means, under the 1940 Act the first 500 million gallons cost the company 2s. 4d. a thousand. Under the new arrangement only the first 300 million gallons will cost 2s. 4d. a thousand, and the next lower rate of 2s. 3d. a thousand will apply to water above 300 million gallons instead of water above 500 million gallons. The reason for this adjustment is, of course, that the company will no longer be the local water authority at Whyalla and will not be buying water for this purpose. If the company requires any water to be delivered to it at a point elsewhere than on the Morgan-Whyalla pipeline, the scheduled price will be increased by an amount based on the expenditure incurred in connection with the construction and maintenance of a branch pipeline, and the cost of pumping.

Under clause 17, if the company requires water at any place in the Middleback Range area, *e.g.*, Iron Knob, it is given the option either itself to construct a branch main from a point on the Morgan-Whyalla pipeline, or to ask the State to construct such a main at the expense of the company. If the company constructs a branch main and the Government should undertake reticulation from that main to local consumers, the company is obliged to sell water to the Government from the main at an agreed price. Of course, in this case the company would first have paid the Government for the water at the point of delivery from the Whyalla pipe-line into the main. This Indenture, as members will see, envisages rather more than the steelworks at Whyalla. Of course, it deals directly with the steelworks and rolling mills, but also with the beneficiation of low-grade ore at Iron Knob, which I believe will ultimately be very important to this State. The member for the district will know that the company, at considerable expense, has been carrying out an investigation in association with officers of the Mines Department in the hope that it may be possible to undertake beneficiation of low-grade ore from the Middleback Ranges. I hope this Indenture will start the ball rolling for what I trust will be a great supplementary development at Iron Knob. I emphasize that any expenditure at Iron Knob is completely

outside the company's obligation of £30,000,000. That sum applies only to the steelworks at Whyalla, and anything undertaken at Iron Knob is additional.

Clause 18 is a clause similar to one in the 1940 agreement which says that any water delivered to the company must be accepted in the condition in which it is drawn from the Murray with only such changes as occur during its transmission through the pipeline. Clause 19 provides for a minimum annual payment for water by the company. It is similar in principle to the minimum payment clause in the agreement of 1940, but the amount of the payment is reduced from £40,000 to £24,000. This reduction also is justified by the fact that the company will no longer be the water authority for Whyalla. In computing the amount I mentioned previously and also this change, we have excluded from the agreement the quantity of water the company resells, because in future the State will be the water authority for Whyalla.

Mr. Riches—How do these prices compare with those charged to the Commonwealth railways at Port Augusta?

The Hon. Sir THOMAS PLAYFORD—I have not the prices charged to the Commonwealth Railways, but the history of the two things is not the same, because frankly the agreement with the Commonwealth was made as a concession to this State to enable the pipeline to be laid. About three years ago a supplementary agreement was made with the Commonwealth, which the honourable member could see if he looked up the Act. The prices in this Indenture take into account the prices of water supplied to other parts of the State; they are not concession rates as applied to the general consumer. Although this is a big industrial undertaking and there could be many justifications for reducing prices, many places in South Australia where water is carted just as far have cheaper water, so I do not think the honourable member can have any real grouch about this provision. The State has a very proud record of supplying water to remote areas, and I hope that will always be its policy.

Clause 20 contains machinery provisions relating to the supply of water to the company which are ancillary to the main provisions on this topic. They are similar to those in the 1940 agreement and call for no special explanation. Clause 21 contains provisions as to electricity. It is contemplated that the Electricity Trust will take over from the company

the reticulation of electricity to retail consumers at Whyalla and will erect a high tension line from the Port Augusta power station to Whyalla to provide electricity both for local reticulation and for any supplies required by the company. The details of these arrangements have been worked out between the company and the Electricity Trust and are not in the Indenture. The only obligation on the Government under the Indenture with respect to electricity is to facilitate the making of a just agreement between the company and the Trust, and the Government has already taken steps for this purpose.

Clause 22 deals with the important matter of housing. Under this clause the Government agrees to arrange for building houses at Whyalla for employees of the company and its subsidiary and associated companies during the construction of the steelworks and extensions of the company's undertaking. There is, however, a limit on the State's obligation, in that it cannot be called upon to provide more than 400 houses in any one year. The company agrees to give the Government notice of its housing requirements, and the Government will arrange consultations between the company and the Housing Trust.

Clause 23 provides that the Government will, as far as its powers and administrative arrangements permit, assist the company to obtain adequate and suitable labour for the construction and operation of the steelworks. The question of labour is vital to the whole undertaking and has given the company much anxiety. The State Government, of course, no longer has a labour exchange but it may be able to assist the company in any labour problems by joint action with the Commonwealth or other means.

Clause 24 empowers the company and its subsidiaries to take sea water for its operations at Whyalla and to construct works, either on land occupied by the company or on the seabed, for the purpose of obtaining and pumping such water.

Clause 25 gives the company the right to use, occupy and reclaim parts of the foreshore and seabed within an area north of Whyalla which is set out in the plan shown in the Bill as Appendix "C" to the Indenture. If the company reclaims any of this land the Government may make a grant of the fee simple. The area in question is a wide stretch of foreshore and seabed which is of no use to anybody but the company or a similar organization carrying on a large undertaking requiring a site on the foreshore.

Clause 26 provides that the sites of the company's works will continue to be outside the area of the Whyalla Town Commission or any other local government body unless any of such land is disposed of and used for residential purposes. In that case it will become liable to be brought within a local government area, if so desired. Difficult problems arise when costly works such as steelworks and blast furnaces which cover large tracts of land are brought within local government areas, and as these works do not require many of the services provided by councils the simplest solution is to leave them outside the councils' areas. They are, of course, subject to controls exercised by other Governmental authorities, including the Central Board of Health.

Clause 27 gives the company the right to take the Whyalla to Iron Knob tramway across the Port Augusta-Whyalla Road by means of bridges, level crossings, tunnels or cuttings. It is likely that some crossings additional to the present one will be required as a result of the establishment of the steelworks. The clause provides for these and also lays it down that any work done for the purpose of taking the railway across, above or below the road must have the approval of the Commissioner of Highways.

By clause 28 the State agrees to facilitate the construction of any railway which may be decided upon for the purpose of connecting Whyalla with any State or Commonwealth railway. The State also agrees to consult with the company, or arrange consultations between the company and the Commonwealth, as to the route of any such railway in the neighbourhood of the company's land at Whyalla and as to the location of the terminal. As the company is itself a railway authority, there will be a definite need for such consultations.

In this connection, our approaches to the Commonwealth up to the present have only led to negative results. The Commonwealth has, so far, refused to be interested in this matter and has suggested that, if the South Australian Government liked to construct the railway, it would be prepared to run it for this Government. We have now replied to the Commonwealth, suggesting that it would be impracticable to run a railway under those conditions but that, if the Commonwealth liked to sell us its railway from Port Augusta to Port Pirie, we should be prepared to negotiate to take it over from the Commonwealth; then we should be able to connect through in the ordinary course of events. I

do not know whether the Commonwealth will sell, but we have suggested to the Commonwealth that we take over the Port Augusta to Port Pirie section of the line so that we might have a direct connection through in the event of a railway line being built.

Clause 29 is similar to a clause in the Indenture of 1937, under which it is provided that no new charges will be imposed upon the company in respect of the use or occupation of its wharves or on the shipment or carriage of goods over its wharves. At present the company pays port dues but no wharfage or tonnage rates. As the jetties and wharves have been built and are maintained by the company at its own expense, it is reasonable that it should not be charged for using them.

Clause 30 lays down a rule as to prices which is in accordance with Government policy. It provides that the Government will not take action to prevent the company or any of its subsidiaries or associated companies from selling its products at prices allowing such company to provide for reasonable depreciation, to build up reasonable reserves, and obtain a reasonable return on its capital. Subject to the requirement that they must be reasonable, the company may determine the rates of these terms.

Clause 31 provides that with the consent of the Government the rights or obligations of the company under the Indenture may be assigned. The Government has a discretion to grant or refuse consent, but must not unreasonably withhold it. No assignment of obligations will release the company from liability.

Clause 32 provides that the company will, whenever requested by the State, give the State a list of its subsidiary and associated companies and particulars of its interest in each such company.

Clause 33 makes some amendments to the Indenture of 1937. One of the requests specially made by the company as a condition of undertaking to spend the £30,000,000 was that it should be given security of tenure of its leases and rights under the Indenture of 1937 as well as those under the new Indenture. The Government considered this request reasonable and agreed to it. Most of the rights in the Indenture of 1937 are, in fact, of indefinite duration, but the company's legal advisers thought that there might be some implication of a time limit. In order to remove doubts, some amendments to the Indenture of 1937 have

been agreed upon to make it clear that time limits are not applicable. These are set out in clause 33 of the Indenture.

Clause 34 deals merely with the mode in which notices may be given and does not provide for any new rights or duties.

Clause 35 has been inserted at the request of the company to provide that the State will at all times take the necessary steps to secure to the company the rights which are provided for in the Indenture, and to prevent those rights from being impaired or prejudicially affected. The Government's duty would be the same whether or not this clause were included in the Indenture but, as a clause to the same effect was in the Indenture of 1937 and the company specially asked for it, the Government agreed to include it in this Indenture. It is provided, however, that taxes on the property of the company or of any of the associated or subsidiary companies at rates applicable generally will not be regarded as an impairment of the rights of the company.

Clause 36 is another clause dealing with labour. The substance of it is that, if sufficient suitable labour is not available to enable the company to construct and operate steelworks in addition to carrying on its ordinary activities at Whyalla, the Government will consult with the company with the object of agreeing upon modifications of the obligations of the parties under the Indenture.

What I have said is intended to give honourable members an idea of all the principal matters dealt with in the Indenture, which is, however, a long document containing many details upon which one might speak at great length. It is, however, not necessary to deal with these details at the present juncture but, if any honourable member desires fuller information, I shall be happy to make that available to him. This Indenture was executed by the company on August 22, and by His Excellency the Lieutenant-Governor in Executive Council on September 4. Honourable members will see that it does, in point of fact, represent a bargain made between the State of South Australia on the one hand, and the company on the other.

Mr. Riches—Is the Queen mentioned in this case?

The Hon. Sir THOMAS PLAYFORD—I do not think so. This represents a bargain made between the two parties. In my opinion, it has given this State something that will be of inestimable value in the years to come. True,

we have given this company certain rights for leases to be taken up by the company in the Middleback Ranges, but those leases under present conditions are of no value to anyone. Further, for three years the Government has attempted to get somebody interested in this particular proposition but has found, in investigating overseas and in Australia, that there are far more iron ore deposits in the world than there are steel mills to work them. Western Australia has a large iron ore deposit unworked. We believe that we have made a satisfactory deal because we shall provide work for several thousand people in South Australia and establish a basis for new industries here at no loss or cost to ourselves.

I commend this Bill to honourable members and point out that, as it is a Bill to ratify an indenture with a private company, it will be necessary for it to go before a Select Committee. In that connection, I invite the Leader of the Opposition at a suitable time to suggest to me the names of two honourable members for inclusion on that committee after the second reading has been passed.

Mr. FRANK WALSH secured the adjournment of the debate.

METROPOLITAN AND EXPORT ABATTOIRS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 3. Page 693.)

Mr. O'HALLORAN (Leader of the Opposition)—Mr. Speaker, the second reading explanation of the Minister was remarkable, not for the information it gave the House, but for the information it failed to give. This, of course, is no exception to what has become the general rule with this Government. Although perhaps a little more information is given on this occasion than on some other occasions, much has been left to members interested in the measure to seek out for themselves. Research has shown me that this is a large and involved question. When I heard the Minister giving his second reading explanation I was at first inclined to support the Bill. In his opening remarks he said:—

The Bill represents a major forward step in the provision of slaughtering facilities for meat for export. The Government is keen to assist in this as it will help primary producers and the State generally. In recent years there have been numerous demands for the encouragement of export killing by people other than the Metropolitan and Export Abattoirs. The encouragement sought was permission to sell reject meat in the metropolitan area.

For years I have advocated an extension of killing facilities, but I want them established in the country, not in the metropolitan area as postulated by this Bill. There was a famous proposal to establish an abattoirs at Kadina, and great publicity was given to a statement made by the Premier about these works on the eve of the 1953 election. This statement was publicized with great gusto by the official organ of Toryism in South Australia, the *Advertiser*, which published photographs and designs of the site. We had the more recent instance of the Noarlunga Meat Company, which was legally hounded by the Government to the extent of a case before the Privy Council in order to prevent it from selling its reject meat in the metropolitan area. At the 1953 election Mr. McAlees was elected as member for Wallaroo, and as the proposed Kadina meat works was of vital interest to people in his district he asked questions in the House on this matter. On July 30, 1953, he asked:—

Residents in my district appreciate the proposal for a meat works at Kadina, but can the Treasurer indicate when the works will be in production? I believe a temporary start has been made, but unless the work is proceeded with soon there will be a considerable delay before operations commence.

The Premier replied:—

The Minister of Agriculture has been negotiating with the company concerned about the precise terms of the legislation, which will have to be accepted by this Parliament. The legislation will be submitted as soon as members are in a position to consider it, and that will depend on when the Address in Reply debate concludes. I understand the company is prepared to go ahead straight away and that the terms of the Bill have been completely settled with the Minister.

Mr. McAlees asked further questions in 1954, and received lengthy and evasive replies from the Premier. On July 28, 1954, he asked:—

In reply to my recent question on the proposed Kadina meat works the Premier said that action was being delayed pending a decision on a case in the High Court. Has he anything further to report?

The Premier replied:—

Following on the honourable member's question I discussed the matter with Mr. Sellars of the Metropolitan Meat Company. I asked him whether he was still interested in establishing a project at Wallaroo or Kadina and what was holding it up. He told me that his company was interested in going ahead, but that it could establish an abattoirs only in a district where it was assured of protection within a certain area. One of the points upon which agreement had been reached with the Government was that we would not issue export licences to other export abattoirs within a certain radius of the proposed meat

works, in order to enable it to function in the same way as does the Metropolitan Abattoirs. Until the High Court decides who has the jurisdiction to issue export licences we are unable to give that guarantee.

That question had a bearing on the Noarlunga Meat Company case, which hinged on the question of the power of the Commonwealth *versus* the power of the State to issue export licences. The Premier continued:—

Further, Mr. Sellars insisted that his company have the right to bring into the metropolitan area certain quantities of meat rejected for export or some other purpose, so that such surpluses might be disposed of here. I think agreement had been reached on these matters and that a stage had been reached where a Bill could be submitted to the House; then the problem of the export licence arose. I have not lost touch with the project, and, as soon as the High Court reaches a decision I hope we will be able to go forward with it. Nothing further happened until 1955, and on May 19 of that year, Mr. McAlees asked:—

My question, which is of vital importance to my district, relates to the establishment of a meat works at Kadina, promised over two years ago. From rumours circulating in the district and from letters I have seen it is apparent that the company concerned has withdrawn its interests from the district and blames the Premier and the Government for not carrying out promises made. The company went to the expense of purchasing land, bricks and materials, but as it did not receive the Government's support promised two and a half years ago, it has decided to get out of the district. Can the Premier indicate the promises he made that have not been honoured and why they were not honoured? This might clear the atmosphere a little in my district and surrounding districts.

The Premier replied:—

Quite recently I received a letter from the company concerned stating that as the Government had not honoured its obligation to introduce legislation to enable meat to be brought into the metropolitan area from Kadina, it did not intend to continue the programme outlined to us. I was naturally concerned about this charge and immediately asked the Minister of Agriculture to communicate with Sir George Jenkins, who had been Minister of Agriculture at the time and in charge of the conferences that took place with the company, and ascertain whether there was, in his opinion, any grounds for the charge. His statement agreed with my belief that there had been no grounds for the assertion that the negotiations had broken down . . .

Mr. Sellars' letter obviously was written just prior to May 19, 1955, and I ask members to take particular note of that date in the light of what the Premier said next, which was as follows:—

. . . and that the Government had refused to honour its obligation in the matter. However, to make assurance doubly sure and as I

believed a letter had been sent to the Government by the company altering the position, I examined the documents on the file so as to be able to give members first-hand information. I have brought down a copy of the last letter the Government received from the company prior to the letter indicating its withdrawal altogether. The letter was signed by O. H. Heinrich, acting chairman, and was dated September 23, 1953.

Again, I ask members to note the difference in the dates. On September 23, 1953, Mr. Heinrich wrote to the Government and indicated certain changes in the company's plans, and in order to put the House in possession of all the information I shall continue to quote from the Premier's reply. He next quoted from Mr. Heinrich's letter, which was as follows:—

This is to apprise you of a decided changed attitude of the board of directors of Kadina Meat Works Ltd. to the construction of its abattoirs and export meat works at Kadina. The reasons for the change are as follows:—

1. Commonwealth Department of Commerce regulations.
2. Insecurity owing to Commonwealth powers.
3. Reports of surplus stored meat in other countries.
4. Increased availability of livestock in foreign countries.
5. More severe grading of mutton.
6. Estimated cost of original plans high.

We, therefore, now propose to proceed with plans for works to handle approximately 30,000 to 40,000 lambs in the export season instead of approximately 100,000 or more. New plans will provide for facilities to expand, if and when deemed prudent. As this will considerably reduce the number of rejects, etc., it would minimize our objection to the "right of entry" clause and it may be advisable to consider whether a new Bill is required at all.

That letter was written in September, 1953, but Mr. Sellars' letter charging the Government with failure to keep its promises was not written until May, 1955, which was more than 18 months later. That makes it clear that the real reason why those responsible for the proposal to establish meat works at Kadina did not proceed—even on the modified scale mentioned by Mr. Heinrich in September, 1953—was the fact that they were not able to get legislation passed by this Parliament to enable rejects to be sold in the metropolitan area. The difficulty was that the Government until then, and until now, was prepared to maintain the monopoly of the Metropolitan Abattoirs for the supply of meat to the metropolitan area. I said "and until now," but that was not quite correct. In 1955 the Act was amended to provide that meat works established more than 50 miles from the

existing Abattoirs should have the right, subject to permission being granted by the Minister, to sell a certain percentage of their total kill in the form of rejects, either by weight or numbers, in the metropolitan area. That was something that met with my approval, because I believed it would facilitate the establishment of meat works in country districts, where I thought they should be established. Had that amendment been made in time it could possibly have led to the establishment of a meat works at Kadina.

I wonder why the Government has changed its attitude? It is now prepared to introduce this legislation which will facilitate not the establishment of abattoirs in the country by permitting those abattoirs to sell a certain quota of their kill on the metropolitan market, but the establishment of metropolitan abattoirs which can then sell 10 per cent by weight of their kill on the metropolitan market. Is the Government retreating from the position it formerly took, namely, that it was prepared to protect its financial interest in the metropolitan Abattoirs, a public utility which has, with some faults I admit, rendered a good service both to producers and consumers of this State? Is the Government becoming less socialistic and, if so, why? We have seen ample evidence in this House that the Government is willing to adopt socialistic measures when it suits its particular plan. Is the sudden change due to the infusion of new private enterprise blood in the Ministry in the person of the Minister of Agriculture?

Mr. Shannon—Good news.

Mr. O'HALLORAN—I do not know that it is, and I think I shall be able to convince the member for Onkaparinga that it is not good news because, after all, he is a man of wide practical knowledge and sound common-sense. I think he will realize that the proposals in this Bill may not be such good news to the producer, the consumer in the metropolitan area, or to the taxpayer, as it has been suggested it is. One obvious result is that we will have big interstate firms establishing meat works in our metropolitan area, ostensibly for the purpose of killing for export. They will be encouraged by the fact that they can sell 10 per cent by weight of their kill in the form of rejects on the local market, which formerly was preserved for the Metropolitan Abattoirs. According to my memory, the percentage of rejects at the Metropolitan Abattoirs is less than 10 per cent, so it will be

seen that these firms will be able to get rid of all their reject lambs on the local market.

Mr. Shannon—The 10 per cent may or may not apply; it may be less.

Mr. O'HALLORAN—I agree; it will probably be considerably less than 10 per cent. In reply to a question of mine some years ago the then Minister of Agriculture informed me that in that particular season the percentage of rejects was 6 per cent or 7 per cent. Of course, like everything else, the number of reject lambs varies from season to season because the causes of rejection are many. I understand that one large interstate concern is now ready to take advantage of this amendment, and no doubt others will follow. If the Government desires to encourage the establishment of killing works in the country, I point out that the amendment to the Act in 1955 provides that any works more than 50 miles from the Metropolitan Abattoirs may secure from the Minister a permit to sell in the metropolitan area any quantity of its kill which the permit specifies. I think that goes as far as is necessary to help establish country works.

Mr. Heaslip—The trouble is we could not get any country works.

Mr. O'HALLORAN—That is the fault not of the Act, but of the Government, which has never encouraged the establishment of country works. Had the offer been made when there was enthusiasm for the Kadina meat works, those meat works would undoubtedly, in my opinion, have been functioning at either Kadina or Wallaroo today.

Mr. Jenkins—It would need more than enthusiasm to keep them going.

Mr. O'HALLORAN—Some people do not understand what enthusiasm means, otherwise they would not be swinging in behind the Premier with his very enthusiastic forays into the known or unknown. The Metropolitan Abattoirs is a public utility. According to the Loan Estimates, we have lent it £619,617, and we intended to increase its loan indebtedness by a further £100,000 this year, making its total indebtedness £719,617. It is, therefore, a public utility in which the taxpayers of this State have a considerable interest. Let us see what it has done and what it is capable of doing. Down through the years, due to gradual expansion, the former gluts and other difficulties have been ironed out until today the Abattoirs is capable of dealing with all our export lambs so expeditiously that, except in the case of a major glut, they can be killed within five or six days of being received.

Mr. Heaslip—We get that glut practically every year, don't we?

Mr. O'HALLORAN—Yes, and if we establish a half a dozen abattoirs in the metropolitan area there will still be a glut because the lamb season in South Australia is a very short one.

Mr. Hambour—You are not very enthusiastic about the Bill.

Mr. O'HALLORAN—No, and it will not take very much encouragement from the honourable member for me to vote against it outright. The Abattoirs has a storage capacity of approximately 500,000 which is very considerable. The lamb season in South Australia is very short because of natural conditions. To begin with, our natural pastures do not mature until late winter or early spring. They are at their best for perhaps only five or six weeks and then they seed; because of that the lambs must be disposed of quickly. That is a natural characteristic of a large part of South Australia; it certainly applies to practically all the country north of Adelaide and to an extent to the country south of Adelaide, even though it may be delayed there.

Mr. Shannon—We are improving our spread in the South-East.

Mr. O'HALLORAN—According to my information, very few lambs come to Adelaide from the South-East. I understand that most go to Victoria.

Mr. Shannon—I think we might encourage them here.

Mr. O'HALLORAN—I do not know; it is a question of where the producers can get the best price. I am of the opinion that the duplication of killing works in the metropolitan area will reduce the return to the producer. We have a killing works now capable of handling everything offering, and because it has a virtual monopoly it is able to continue, provided it is efficiently managed, on the best terms on which any works can continue. However, if we are to establish rival organizations the overhead costs will spread, and all fees and charges will be doubled, in some cases trebled. In the final analysis, as every member knows, the primary producer has to meet the whole of that cost. Whether one, two, or a half a dozen works operate, I am confident that the result of this Bill, if it has the effect I think it will have, will be that the public investment in the Abattoirs will be diminished in value, the service it renders to the community will be minimized, the primary producers will get less for their lambs, and the

metropolitan consumers, on the other hand, will pay more for their meat.

Let us have a look at what 10 per cent means. We will assume that one of these works treats 200,000 export lambs a year, which is not a fantastic figure by any means. Taking it on the carcass basis, 10 per cent of 200,000 is 20,000. That is a substantial number to be unloaded in the metropolitan area. Some improvement could be made in the set-up at the Metropolitan Abattoirs. First, the size of the board could be reduced. In yesterday's *Advertiser* was an excellent letter from an anonymous correspondent; I think he called himself "Primary Producer." He said the board was far too large, and suggested one of three, with a business man as chairman, and a representative of the primary producers and one of workers in the industry. That would be an ideal board. At present we have a board of nine and it seems that every effort was made to give representation to all sections of the industry, including a rival meatworks for one of the members belongs to a rival organization. It is a laudable act to give representation to all and sundry, but it leads to an unwieldy board and some conflict of interest which must minimize efficiency. Then there is the disposal of the by-products. I looked at this aspect in the limited time at my disposal, but did not get very far. I learned, however, that the producer gets 11½d. for about 80ft. of runners. In America that quantity of sausage casing is worth about 10s. I understand a quantity of this by-product is sold to exporters and sent to America. There may be no alternative, but it is a matter to be investigated.

If the Government is as sincere as Mr. Heaslip believes it is in establishing country meatworks, there should be a complete inquiry into the possibilities of their establishment and location. In 1939 a committee of inquiry presented a good report, but recommended that no action be taken at the time because of the limited and uncertain production. That, of course, was before the topdressing era. The position has been considerably improved by what has taken place in the last 19 years. The committee visualized that the establishment of pastures would improve the position and suggested that the matter be further investigated within three years. Nineteen years have now elapsed and there has been no inquiry. Consideration of the Bill should be postponed and a committee of inquiry appointed to investigate the need for it. There should also

be an inquiry into the control, management and set-up of the Metropolitan Abattoirs. If this were done we might get somewhere and get what most country members desire—the establishment of country killing works close to where the stock is produced, and where there would not be the loss in condition and bloom which follows the long transport to central killing places. Also, we would not be creating the possibility of a monopolistic private enterprise torpedoing a public enterprise.

Mr. SHANNON (Onkaparinga)—The Leader of the Opposition will admit that the Government's attempt to secure a company to establish killing works at Kadina was an indication of the value it would be to the country. One of the leading men in the industry, Mr. Sellars, was personally interested in the matter. To such works the Government offered terms as favourable as any country killing works could expect, having in mind metropolitan trade. Such works would have enjoyed a portion of the metropolitan whole meat market over the whole year, and not only for rejects or during the lamb season. Even on such favourable terms, the company did not proceed with the establishment of works at Kadina. It is obvious to anyone who looks at the matter that it will be difficult for many years to establish works at largely populated country centres. Whyalla and Port Pirie may soon be of sufficient size to warrant such an establishment, but even there it cannot happen for some years. We have such a short season, much overhead to carry, and great labour difficulties, that it would be almost impossible to establish small country killing works. Our Metropolitan Abattoirs have had to deal with many problems, but they have an absolute monopoly. These are factors which cause people to pause before investing money in country killing works.

It has been suggested that works be established in the South-East because it is ideal fat lamb country. Portland is only a few miles away and Borthwicks, who are established there, send into the South-Eastern areas huge stock transports and pick up the lambs at the farms to be taken direct to the killing works. It is almost impossible to compete with this. Any small killing works established at, say, Naracoorte, would find the going hard. If anyone wants to have a go at it there is no bar, for under the Act anyone can establish works outside the 50-mile limit. If there were anything in it I believe that two or three companies would be moving

towards establishing country works. The Leader of the Opposition said that the establishment of another killing works would reduce the return to the producers, but I do not know how that works out. I cannot see how competition decreases the return to producers. I have not known of any instance where there have been too many buyers. The Leader of the Opposition is slightly adrift in his argument and there is no force in it. On reflection he will see that the producer will not be at a disadvantage if there are several competitors in the field for his stock.

He also said consumers would have to pay more for their meat. The Metropolitan Abattoirs are a good stopgap against any attempt by other killing works coming in and charging more than they should for meat. The Metropolitan Abattoirs will always be a steady influence in that regard. In respect of reject lamb, I point out that only for three or four months of the year is it available for sale for consumption in the metropolitan area.

Mr. Riches—How long is it available for consumption in the country?

Mr. SHANNON—I am talking about the metropolitan area. The Leader has made a song and dance about the investment of State funds in the Metropolitan and Export Abattoirs Board and what will happen to it, the consumer and the producer. I think I have proved that his remarks about the producer were inappropriate. I also believe he was astray in his thoughts about what might happen to the consumer. There is only a limited period when rejects come on to the market for local consumption, but if there is more than one authority offering such meat in the metropolitan area are we likely to have the peculiar result the Leader envisages—the inflating of prices? I know something about buying and selling because I had considerable experience in my youth and my father taught me much. The two major factors in my father's philosophy were, "When they want to sell, you buy and when they want to buy you sell." They are good rules to follow. At present we have one Government monopoly which fixes the price of reject meat and there is no argument about it. If another authority entered the field and by virtue of skill and assiduity saved costs and reduced the price I do not think the consumer would complain. He would possibly reap some benefit as a result of having more than one avenue to which he could look for supplies. That, to me, is fundamental.

On the question of whether or not we will starve the Metropolitan and Export Abattoirs Board of its metropolitan market, I point out that the population of the metropolitan area is growing at a rate not envisaged in 1936 when we established the board as a monopoly, and what will happen in the next decade is anybody's guess. At the moment we are considering the establishment of an oil refinery and in a few years I expect that subsidiary industries will establish near the oil refinery south of Adelaide. This will be a ready made expanding market for reject carcasses. In respect of the increased demand we must either expand the capacity of the board or permit healthy competition. I compliment the Minister of Agriculture on introducing this Bill although I understand that his predecessor, the Hon. G. G. Pearson, commenced work on it prior to his assuming office. I am pleased to support his efforts to introduce healthy competition into this field. In any monopoly—no matter who runs it—there is a tendency to become easy-going and lavish in expenditure. There is nothing to keep it up to the mark, nor is there any driving force behind it. Even if it does its job ineffectively and inefficiently it has no fear that it will be out of business in a year or two.

Mr. Dunstan—Do you take that attitude in respect of the Broken Hill Proprietary Company Limited?

Mr. SHANNON—The B.H.P. has to compete and does so effectively on overseas markets. It is an efficient body and has not a monopoly.

Mr. Dunstan—It has a monopoly on manufacture in Australia.

Mr. SHANNON—It has no monopoly at all. Other firms had an opportunity of coming into this field and establishing another steelworks. I know the Opposition thought that should have happened. It might have been a good thing and I would not have opposed another firm entering that field. It would have been healthy for everybody concerned. I am a great believer in free competition, which affords a better service to the customer. If one has a choice he is always more courteously dealt with and frequently gets more consideration.

I am not going to delay the House, but I point out that the question of inspections could become a stumbling block to a meat works established some distance from the metropolitan area, say at Port Pirie. The Bill provides that an inspection may be made at a place appointed by the board and this provision could virtually prohibit a country killing

works effectively selling reject meat in the metropolitan area because the board could stipulate an inconvenient place for inspection. I do not think that is likely to happen and I hope it won't. I am confident that it will not happen while the present Minister occupies his position because I know his sentiments in this respect. However, it seems to me that making it possible for the board to appoint the place at which inspections shall take place is a wide provision that could be used harshly.

I have heard the Minister's explanation, but I am not too sure that we need a duplication of inspection as happens in the meat industry. Inspectors are appointed under our Health Act and there are also Commonwealth Inspectors who O.K. meat for export. If a man is sufficiently qualified to be able to say whether meat is fit for export he is surely qualified to say that it is fit for human consumption here! The Minister has suggested that there will be occasions when we will require to have our own inspections, particularly in respect of reject meat and portions of carcasses. A lamb could have a dog bite on the leg or a pole mark on its back which would reject the carcass *in toto*, but it could be cut up and portions of it sold. I believe that practice is widely adopted and meat is parcelled in pieces for which there is a growing demand here and overseas. However, I am not going to hammer this point unnecessarily because I think the Minister will deal with this aspect sympathetically.

We have certain difficulties in producing good fat lambs, but there are areas where first class lambs can be produced—Eyre Peninsula, certain hills areas, parts of the Lower North and, I believe, ultimately the upper South-East. I believe that producers will thank the Government for providing this means of competition and I am sure the consumers will not suffer as a result, but will benefit thereby. I support the Bill.

Mr. HEASLIP (Rocky River)—I do not want to delay the passage of the Bill, but I want to put the point of view of primary producers who grow the meat and who are most vitally concerned. The Leader of the Opposition has referred to decentralization and has related the history of the establishment of abattoirs outside the metropolitan area. I think everyone will agree that the Government has done everything possible in attempting to persuade people to establish meat works in the country. Unfortunately, no-one has been prepared to spend money in establishing abattoirs outside the metropolitan area. This

Bill is designed to enable anyone so prepared to be guaranteed an outlet for a proportion of his reject meat.

The Leader said the cause of the Wallaroo failure was that the Government did not pass the necessary legislation, but that was not so—the people who were to spend the money realized it was not an economic proposition. Had they been prepared to go ahead, the legislation to enable them to do so would have been passed. Producers take the view that, as they are asked to produce meat at the lowest possible price, they should get it slaughtered at the most opportune time. One of their biggest losses is caused because they cannot get rid of lambs when the bloom is at its best. Every year the country is zoned during the glut, and producers are able to send only a certain number of stock to the abattoirs. By the time they arrive they are past their prime. It is hard to estimate what producers lose because of the delay.

The Leader also said that this Bill would increase the cost to the producer. The member for Onkaparinga (Mr. Shannon) did not agree, but as a primary producer I think costs would be increased slightly, because two abattoirs cannot kill the same number of stock as cheaply as one because there is double the overhead and double the capital charge, with only half the number of stock going through each. However, these increased costs will not be nearly as great as the amount producers are now losing through not being able to have their stock killed at the right time and because of the lack of competition in the buying field. At present there is only one avenue through which stock can be slaughtered, and if it is purchased on the property it must be held for some time, sometimes up to six weeks, or if it is held at the abattoirs in bare paddocks for a fortnight it certainly will not be sold at such a good price as if there were other works where it would be slaughtered when at its peak. Producers are now paid much less because the purchasers have to take the risk of getting the lambs slaughtered. If they could be killed at the right time it would be of great benefit to producers, though it might cost a little more. I do not agree that there will be any increased cost to the consumer, because producers do not put a price on their stock; it goes to the abattoirs, where the price is determined by butchers and exporters. All expenses are deducted from the purchase price, not added to the consumer's price, so I cannot see how

the consumer will have to pay any more than he is paying now by having two abattoirs instead of one. As all producers want an alternative outlet for slaughtering their stock, the Minister and the Government may be congratulated on bringing in this Bill.

Monopolies can become careless, and despite the fact that the Metropolitan Abattoirs have a good name, unless there is competition they may be inclined to become less cost conscious. I did not gather whether the Leader of the Opposition was for or against this measure, but he concluded by saying that he thought the amendment should be postponed until a thorough inquiry was held. I do not agree with that. We have waited long enough, and the sooner we get these provisions the sooner the primary producers will benefit. I support the Bill, and commend the Minister for having it introduced.

Mr. JENKINS (Stirling)—I support the Bill, which has been brought down at a very good time. In his second reading speech, the Minister said:—

In recent years there have been numerous demands for the encouragement of export killing by people other than the Metropolitan and Export Abattoirs.

Pressure has probably been exercised by producers who have suffered losses because of delay in slaughtering at the abattoirs in peak periods. Lambs quickly lose their bloom when yarded or paddocked for a few days. This in turn prompts buyers or agents when buying from producers lambs to be sent to the abattoirs for slaughter for export to make allowances for what they may consider to be loss of time in slaughtering, through loss of weight, which reduces the bloom and value of the lambs. The cost of these allowances is borne by the producers. It is difficult for the Abattoirs Board to cater beforehand for every season, because no matter how good the provisions, there is always a poor season when there is a surplus of chains for killing, which is not economic. In a good season lambs have to wait for perhaps five or six weeks before being slaughtered. In many country areas buyers are not able to send lambs to the city for two or three weeks, and this also causes considerable loss to producers through lambs not being in peak condition. It is the producers who always suffer in the long run.

Despite considerable extensions at the abattoirs in recent years, lamb numbers have increased year after year, and are still likely to increase. Probably the lower wool price will have some

influence on the production of fat lambs for export, because some people will produce good crossbred lambs for export rather than continue to breed merinos for wool. The Leader said that more meat works will probably increase the cost to the producer, but I think that was adequately answered by the member for Onkaparinga (Mr. Shannon). Country killing works will probably reduce the cost to producers because of the shorter distance to the abattoirs and because the lambs would be slaughtered when in prime condition. Buyers would then pay top prices, knowing that risks would be obviated. I believe meat works will be established in due course where it is considered most economical to do so, and this Bill will make this possible. Country meat works will be to the advantage of consumers as well as producers, because there will be adequate supplies of lambs in the districts where they are set up, and the necessary inspections will provide adequate protection to consumers. I support the Bill.

Mr. LAUCKE (Barossa)—I welcome this Bill as a breath of fresh air to a condition hitherto prevailing. Private enterprise for a long time has sought to engage in slaughtering, but in effect has been checkmated by the Metropolitan and Export Abattoirs Act, which forbids the sale of reject meat in the metropolitan area unless under permit. No organization, unless empowered by Commonwealth authority, could consider setting up the necessary facilities unless it could dispose of meat rejected for export. The Bill removes this stricture and allows a privately run abattoirs to engage in the business. I firmly believe in freedom of enterprise and in competition as being the best influence to create a virile organization to give the best price to the seller and a competitive price to the consumer. The provision enabling 10 per cent of the meat killed to be disposed of locally is generous. However, I know it is a maximum figure, and it may be that 10 per cent will not be sought on the local market by every establishment. Broadly, I feel that the Bill is a move in the right direction to encourage private enterprise and assist in obtaining more efficiency in killing and better and keener prices to the consumer.

Mr. Fred Walsh—You would not suggest there is inefficiency at the abattoirs?

Mr. LAUCKE—Not at all. I admire the way the Abattoirs Board has conducted its affairs and the manner in which the men have discharged their duties. As we grow as a city

we shall need further killing facilities, but I do not like the idea of the State exceeding its present investment of about £620,000. I should rather see independent abattoirs set up to compete with the existing organization. I pay a tribute to the excellent service thus far rendered at Gepps Cross, but it cannot handle peak supplies of lamb at the right time. Farmers would be well served by having facilities in different areas the better to handle glut intakes of lamb. I am pleased to see that Mr. Kerin, the Treasurer of the Wheat and Woolgrowers' Association, said that this legislation gives his members all they have sought. That, coming from a prominent agriculturist, is quite a reference for the Bill, which I have pleasure in supporting.

Mr. HUTCHENS (Hindmarsh)—I support the Bill. I have listened to members opposite and agree with what they have said. As one who was employed for some considerable time in connection with the by-products of the meat industry, I must join with the honourable member who has just resumed his seat in paying a tribute to the Metropolitan Abattoirs and the Port Lincoln Meat Works. The by-products from those works are superior to any coming to the Adelaide market. Having worked with those by-products, I have learnt to appreciate the disadvantages experienced by the producers through limitations in slaughtering facilities. They suffer losses of export lambs because of the limited facilities for handling them at the right time.

The honourable member for Stirling (Mr. Jenkins) made a good point when he brought to our notice the variation in seasons, which can have a great bearing on the time for slaughtering. I have witnessed the great loss suffered by the primary producers through the inability of the Port Lincoln Meat Works to slaughter just when the lambs were in full bloom. Primary producers will understand what seeding means: the seeds penetrate the skins and enter the carcasses, which become rejects.

Mr. O'Halloran—You get splinters when you eat the meat!

Mr. HUTCHENS—Yes. This move will have to be watched closely because it could lead to difficulties; but I feel it is a move in the right direction, one that will assist the primary producer. Had the Government moved in this direction and given some assistance, meat works in the country areas might have been established by the Government. Such may not have been a paying proposition

directly, but indirectly I am confident it would have shown a handsome profit. We have heard that the Government Produce Department's works in Port Lincoln does not pay; but indirectly, it has been the means of establishing many producers on the land and making possible the production of export lambs. With the decline in wool prices, many of our primary producers will not now put all their eggs into one basket; they will produce more lambs of a type satisfactory for export. The Bill will further encourage such a trend.

Mr. RICHES (Stuart)—I feel like the odd man out in this debate: I cannot find anything in the Bill to rouse my enthusiasm. It will weaken and not strengthen the service given by the Metropolitan Abattoirs Board, and it will weaken the possibility of ever getting abattoirs established in the country. I think that the Leader of the Opposition made that point. I thought that he had sound arguments to advance, especially as he has conducted extensive research and has had long experience on the land. His arguments might have carried a little more weight than apparently they have.

The opinions expressed by the Leader of the Opposition seem valid and worthy of special consideration by every country member of this House. Every speaker who has followed the Leader of the Opposition has seen nothing but virtue in this Bill. No member has advanced any reason for the Bill, except that some members feel that there are some pickings in conducting an abattoir business that they want for private enterprise. All that is envisaged under this Bill is private abattoirs in the metropolitan area.

Mr. Hambour—The primary producers want them.

Mr. RICHES—The primary producers are the last persons considered by those who introduced this Bill.

Mr. Hambour—Absolute rubbish! You do not believe that yourself.

Mr. RICHES Of course I do. The only effect of this Bill is to enable the private abattoirs to be established in the metropolitan area. It sets back the establishment of abattoirs in the country areas.

The Hon. G. G. Pearson—Read clause 2 (a).

Mr. RICHES—I know that abattoirs can be established anywhere in the State. The Bill also says that the only people who can sell these carcasses are those exporting, and they can only sell reject meat up to 10 per cent of the quantity of meat that is being exported.

The argument advanced is that the Metropolitan Abattoirs, as every member has admitted, have worked well. There has been no criticism there. They say that the Metropolitan Abattoirs are unable in the peak periods to cater quickly for the supply of lambs coming forward. The obvious answer to that surely is to establish another abattoir nearer the place where the lambs are produced. I am not satisfied that this Government has with any degree of energy conducted inquiries into the possibility, practicability and desirability of establishing abattoirs in the country. This Bill will set back for years the establishment of abattoirs in the country areas. For that reason, it does not appeal to me.

Some members opposite said they were speaking as primary producers. I know that there are primary producers in the north of the State at any rate who are seeking country abattoirs and strongly supporting the idea. Peterborough has been mentioned. Port Pirie would like abattoirs there, and cases have been presented for their establishment there. Primary producers have strongly supported representations made from time to time for the establishment of abattoirs at Port Augusta. I think the Minister of Agriculture met a deputation as late as last Friday urging the Government to take definite action in that direction. All that the Government has ever done in establishing abattoirs in the country is to say, "If somebody else does it, we will consider allowing them to sell some of the meat to the metropolitan area." That is the limit of Government assistance to date. That limit is not placed on industries taking the Government's fancy for the time being.

I was interested to hear the member for Barossa (Mr. Laucke) say that this Bill came like a breath of fresh air; it was a glorious opportunity for private enterprise; he believed in competition and the free action of private enterprise. I hope that he will be consistent when he considers the Bill that was introduced regarding the steelworks to be established in South Australia. I shall be interested to see how much he believes in competition in that field and what his attitude will be when the whole of the iron ore resources of South Australia will be tied up and no-one will be allowed to enter into competition.

Mr. O'Halloran—How would he view private enterprise in competition with the Electricity Trust in his area?

Mr. RICHES—I am anxious to see how far he is willing to go with competition in other

fields; but here, in a non-profitmaking concern operating in the interests of the consumers and producers and being directly answerable to the people on every level, he wants to see competition. For the life of me, I cannot see that competition for the mere sake of competition will do anything but duplicate the costs, which will have to be borne by somebody. In the field of export lambs, surely the competition is overseas. That is where the market is and where the buyers are. Abattoirs are merely for the treatment of the product sold on the market overseas.

Concerning price, the determining factor, by and large, is the price obtainable overseas. Unless members hold that there is some element of waste, negligence or unnecessary cost associated with the Metropolitan Abattoirs, they cannot seriously hold the view that competition will reduce those charges. If, however, there are to be two instrumentalities working side by side and they are to carry on for a long period dealing with a glut situation with a seasonal product, then the overheads must be duplicated.

Mr. Hambour—Your argument is that one butcher shop would be more economical than several?

Mr. RICHES—My argument is that I cannot see anything in this Bill that strengthens the Metropolitan Abattoirs Board. It seems that the Bill can do nothing but weaken it and weaken the service the board is giving the metropolitan area. This Bill will set back for years any move for the establishment of country abattoirs. For that reason I am afraid I cannot support it.

Mr. HAMBOUR (Light)—I thought that this Bill would receive the plaudits of the whole House, but the Leader of the Opposition was critical and luke-warm in his support. In fact, I do not know whether or not he will support the Bill. The honourable member for Stuart (Mr. Riches) has stated that he does not like any part of the Bill. I welcome it because it has been asked for by both the primary producer organizations, and it is welcomed by all primary producers in my district. I cannot see how it will affect the consumer. Admittedly, it will set up competition in killing and in the sale of meat for the local market. Is that a bad thing? Will not the butchers have the choice of buying meat from the two killing sources? Is that bad? Is the honourable member for Stuart

afraid that the Metropolitan Abattoirs will not be able to compete with private enterprise?

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

Mr. HAMBOUR—I thank the Government for bringing down this amending legislation. The people in my district will be happy with it, and I am sure it will benefit them. I am at a loss to understand the attitude of the Opposition. I am not sure whether the Leader of the Opposition is in favour of the Bill or against it, but we know where the member for Stuart stands. He opposed it strongly, but the member for Hindmarsh, who has had some connection with the industry, has indicated his support for the Bill. During the dinner adjournment I tried to think of what objections any member could have to the Bill. It only extends freedom to compete with Government enterprise, and perhaps some members object to that. Again, I thought there might be opposition because of some competition on the industrial front. Perhaps conditions in one place may not be satisfactory, and if an industrial dispute occurred the employees might not be of one mind.

Mr. Shannon—They would all be in the same union.

Mr. HAMBOUR—Yes, but to go out on strike they would have to come to a unanimous decision. However, I believe that competition in killing will improve facilities and decrease costs of killing. This will be of benefit to primary producers and expedite slaughtering when required. Further, competition will result in lower prices and thus benefit consumers. I support the Bill.

Mr. HARDING (Victoria)—I, too, support the Bill. It has been suggested that the Government has not investigated the establishment of country abattoirs, but I refute that. Recently investigations were made in the South-East into the possibility of establishing meatworks there. Enquiries were made to ascertain whether we should have abattoirs run by the Government, private enterprise, or a co-operative, and producers were overwhelmingly of opinion that private enterprise should operate abattoirs. That was not an indication of no confidence in Government enterprise, but that producers wished to have an abattoirs in competition with the Gepps Cross Abattoirs. In other words, they were sick and tired of the go-slow policy during the peak killing season. Fat stock are often held for weeks at the abattoirs before being killed, and they then lose their bloom. Lambs are taken from their

mothers and fed with hay. After three or four weeks they lose many pounds and cannot be recognized as the same stock.

Mr. O'Halloran—Will the Bill correct that?

Mr. HARDING—Yes, because stock could be taken by a private abattoir as they were required. Such an abattoir could take fat stock where they are raised, practically straight from the farmers.

Mr. O'Halloran—The Bill will prevent that.

Mr. HARDING—No. We do not want private killing works established near the city.

Mr. O'Halloran—That is the purpose of the Bill.

Mr. HARDING—No; it is to have abattoirs established where they are wanted. Many people think that abattoirs can be established almost anywhere in the country, but investigations in the South-East showed that only a few centres warranted killing works. Export abattoirs can be established only if they can function over a period of eight months or more. Therefore, they must be established in places where supplies of stock can be provided over that period. I do not think that the north of this State would be suitable for meatworks because it has a flush season extending over only a few weeks. During the investigations in the South-East the Director of Agriculture was asked to reassess the carrying capacity for fat stock there, and he said that the three counties of Robe, Grey and MacDonnell and the hundred of Tatiara could carry the equivalent of 9,000,000 sheep, although the sheep population of this State is only 15,000,000. He said the number of fat lambs that could be raised annually there could be between 500,000 and 550,000. It would not be practicable to establish an abattoirs in a centre where only, say, 100,000 lambs a year could be supplied, because skilled men are required for slaughtering and they could not be given permanent employment.

Private abattoirs are run successfully at Portland, and the time has come for the establishment of killing works in the South-East. However, the Government would have to assist by building homes for employees and providing water and electricity. Forty-two per cent of the sheep in the South-East are of the Merino type, and 22 per cent are Corriedales, but within a year they could breed fat lambs, which would be essential for the establishment of an abattoirs. Unless big meatworks were established the 10 per cent

quota of rejects for supply to the metropolitan area would be of little use. A substantial local market is also necessary to warrant country meatworks. Several butchers in the South-East have their own slaughter yards and the health authorities occasionally make a raid on their premises, but the health aspect is not always satisfactory. There would be little incentive for private enterprise to establish abattoirs unless there was a local market to supply, say, 10,000 people. I support the Bill so that we can have inland abattoirs run by private enterprise.

Mr. STOTT (Ridley)—This Bill is long overdue. Country people have felt for many years that the Metropolitan Abattoirs have not met the requirements of producers. Some members have said that they see no fault with the abattoirs administration, but with great respect to the board I say there is much wrong with its administration. Organizations representing producers have been perturbed that the abattoirs cannot adequately handle large numbers of lambs coming forward for slaughter. They approached the Government on several occasions, but despite the good intentions of the then Minister the same thing happened the next year. Lambs were held for 10 days before being slaughtered and export buyers would not purchase lambs on the farms, which meant a loss to producers. The Abattoirs Board claims it has done all it can to overcome the difficulties that occur each year during the peak period, but if that is so two things seem to be wrong. First, the board cannot be doing its job properly or present facilities are inadequate. The Government must decide whether the trucking, killing and other facilities are adequate. It is a matter of high Government policy. One organization of primary producers believes that it is not a question of providing more money for the existing board in order to improve facilities, but that it should allow surplus lambs during the glut period to be dealt with by other companies which want to sell reject lambs in the metropolitan area.

Because it has a complete monopoly, the Abattoirs Board will not allow them to do it. We pointed out to the Minister that the board could not handle all the lambs because of insufficient facilities. The board granted export buyers a permit to slaughter 20,000 lambs a week, provided three weeks' notice was given. It is well known that some of the lambs purchased on that basis were left for 10 days before being slaughtered. Because of the lack of rain last season lambs

deteriorated and lost weight. A further point is that South Australian lambs should go on the English market early in the season before the New Zealand lambs, and so command a better price. Under existing conditions some lambs were not slaughtered in time for the early market and as the English price fell by about 4d. a pound it meant an additional loss to producers. There is a big demand in the United States for mutton, but the market has been neglected, whereas with improved facilities mutton could be made a much more attractive commodity. The Abattoirs Board did not handle this matter as it should have done. Some people were anxious to exploit this market and prepared marketable sized parcels for shipment. The mutton had to be treated at our export abattoirs, but when it arrived in the United States it was rejected because it did not satisfy the hygienic condition laid down by that country. Many tons of meat were involved and some of the exporters lost a considerable amount of money.

Mr. O'Halloran—Might not that be possible with private enterprise abattoirs?

Mr. STOTT—No. The Leader of the Opposition knows that at the Abattoirs parcels of meat are cut up on wooden tables, which are out of date in a modern establishment. When meat is cut up in this way little chips of wood get into it and it does not satisfy the standard laid down by the United States, so it is rejected. Also, when the carcass of a lamb is cut down and the entrails fall out a stain appears on the throat, which is another reason for rejection, but that can be overcome by using pressure hoses to wash off the stain. The Abattoirs Board has not been alive to the position. It has not realized that an increased number of lambs has to be dealt with and given some people the opportunity to get the benefit of an overseas market. If we are to exploit the United States market we must have the facilities to pack meat so that it will not be rejected.

The present Abattoirs Board is too large and unwieldy. We want a smaller board consisting of men who are well versed in the meat trade. There should not be on it a man who represents other interests in the trade. We cannot expect him to accept board decisions when they are detrimental to the other interests he represents. There should be a general overhaul of the legislation. A board of three would provide more efficient management. The present chairman is in a difficult position because he must weigh the

pros and cons of the interests represented around the table when matters are discussed. I cannot see any need for representatives of councils to be on the board. In 1945 the Metropolitan and Export Abattoirs Act was amended to provide that the board shall consist of a chairman and six members appointed or elected as provided in section 10. One member, sometimes called the consumers' representative, was to be elected by the constituent councils. Of the other five members to be appointed by the Governor one was to be a person suitable to represent breeders of lambs for export and selected from three persons nominated by the South Australian Chamber of Rural Industries. One was to be a person suitable to represent breeders of pigs for export, and another was to be selected from three persons nominated by the South Australian Stocksalesmen's Association. A further member was to represent butchers and exporters of stock and to be selected from three persons, and another from three persons nominated by the Australian Meat Industry Employees Union. This section has been amended since 1945, but such a board must be unwieldy.

In the interests of such an undertaking we should have a smaller board, which would lead to the greater efficiency needed at the abattoirs. I have referred to a shipment of meat not meeting the hygienic conditions laid down by the United States of America and if such conditions are permitted to continue then obviously the representatives on the board are not doing their work. The Minister should call for a report on this matter to ascertain why, if that meat was packed and processed at the abattoirs, it did not meet the conditions of the United States. If the existing board tables are unsatisfactory they should be replaced with marble tables. I suggest a competent officer should inspect the Homebush Abattoirs where there is a most modern plant. Our exporters should be enabled, through the board, to meet the requirements of overseas markets. If we could export greater quantities of lamb to the United States it would be beneficial from the Commonwealth's point of view because it could secure for us valuable dollars. It would also overcome the annual glut of lambs which is actually responsible for the introduction of this Bill.

When we pointed these facts out to the Minister we also stated that under the meat agreement with the United Kingdom we should be able to exploit the market to the full

extent because the amendments made to the 15 year meat agreement enabled surplus lambs to be exported to such places as the United States. Instances have been quoted of farmers being offered 63s. for lambs on the farm but because of the board not being able to meet the glut season export lamb buyers were not able to purchase sufficient quantities and the price of some lambs was reduced to 43s. 6d. Some lambs from the South-East have been sold to Victoria for slaughtering, and as a result the State has lost business.

Because of the lack of slaughtering facilities many aged sheep have been kept back longer on farms than they should have been and they have eaten feed that would have been a useful stand-by for graziers at a later date. The sheep population has increased considerably: the member for Victoria mentioned a figure of 15,000,000. In the last two or three years there has been a tremendous increase and the greater proportion of it must eventually come to the abattoirs for slaughtering. We must have an increased slaughtering capacity to handle the large number of sheep and lambs coming in at the end of spring. Exporting firms should be encouraged and permitted to establish their own works. They could open up slaughtering facilities to handle export lamb and mutton provided they were permitted to sell the meat rejected for export within the metropolitan area. At present this policy applies exclusively to meat slaughtered at the Metropolitan Abattoirs. There is no reason why such business could not be handled equally as well by private firms with a general oversight by inspectors of the board.

There has been some criticism of the Government's policy and we should remember that when the Noarlunga Meat Company wanted to export lambs the Government took action against it. Subsequently, under section 92 of the Commonwealth Constitution, the company secured a verdict. It has been suggested—I think erroneously—that as a result of that verdict the Government had its hooks into the company and would not give it any facilities. The company applied to the board for a permit to sell reject lamb in the metropolitan area but was refused permission. Under this Bill the company and other companies will be able to sell up to 10 per cent of their total slaughtering within the metropolitan area.

I believe that the board could assist exports in many ways. In *The National Provisioner*—an American publication—of May 3, 1958, is an article relating to meat foods processed.

It gives details of the different prices of meat and offal. It refers to sausage casings and mentions sheep casings. The average size of a sheep's casing is 22 to 24 millimetres and such a casing is sold on a per hank weight. The price in America ranges from six dollars 40 cents, six dollars 25 cents down to five dollars 25 cents. I point out that six dollars 40 cents would be about £2 17s. Australian currency. I understand that our Abattoirs Board sells such casings at the ridiculous price of between 1s. and 1s. 3d. to exporters who, after treating them, can get as much as £2 17s. for them in the United States. I doubt whether the board has been alive to this matter. I would like to know whether members of the board are perfectly satisfied to sell these casings at such a ridiculous price to an exporter and permit him to make terrific profits. The Abattoirs Board should examine the position and, if necessary, provide facilities to treat these casings and sell them to an exporter, with overseas connections, at a price comparable with the American price, permitting the exporter a smaller margin of profit.

The board has not been awake to these things and that is why I emphasize that the Minister should inquire into the position. Is the board improving its facilities to meet the hygienic requirements of the United States? I believe this legislation has been introduced because the board has not the facilities. The Government's policy has been to expand in the Elizabeth area and one can visualize great developments between Adelaide and Elizabeth within the next 10 years. Consequently, we must consider whether it is possible to extend the Metropolitan Abattoirs to the extent required to meet our population in, say, 20 years' time. It would take a considerable time to build meat halls and processing plants, improve the railway yards and loading facilities, and provide all the necessary facilities. How long must the producers wait? I think it is better to tackle the problem as is proposed and to say, "Instead of creating a greater monopoly at the Metropolitan Abattoirs we will allow private companies to have their own facilities for slaughtering more lambs and we will encourage them by giving them the incentive of permitting them to sell up to 10 per cent of their export lamb in the metropolitan area."

I have hammered the Government and this House with suggestions that we should secure advice from scientists and agricultural experts

for our primary producers: to show them how to grow two blades of grass where only one grew before and how to carry more lambs per acre. As a result of improved methods our sheep population has increased tremendously. At the same time we have sat pat and made no provision for marketing the increased production. The Government's policy of soldier settlement in the South-East has opened more land and further increased the lamb production; but that policy is no good unless we provide increased marketing facilities. We now face the position that the Metropolitan Abattoirs are totally inadequate to handle the situation. This Bill is a good one because it takes care of that problem for the time being, although I doubt whether the quota of 10 per cent will be a sufficient incentive for private companies to take sufficient lambs. However, I am prepared to let it go and see what the result will be, instead of moving an amendment. If this percentage is not sufficient, the Government can remedy the situation later.

I hope I have submitted sufficient points to enable members to appreciate the problems that will arise in the near future. They are two-fold: we must do everything possible to meet the increase of lambs coming in, and having done that, and allowed private operators to market 10 per cent of export reject lambs in the metropolitan area, we must then take every possible step to exploit the valuable market in the United States of America by getting a proper processing works operating under the hygienic standards that country has laid down. That would be to the good of lamb producers, and to the Commonwealth Government because of the increased dollar earning capacity which would help to solve our export balance. I commend the Bill as a wise measure, and trust the Minister will consider some of the problems I have raised. I hope it will meet some of the requirements for the next three or four years at least.

Mr. HUGHES (Wallaroo)—I support the Bill. However, I am somewhat suspicious of it because, just prior to the 1953 elections, the following appeared in the *Advertiser* under the heading "Kadina Meat Works":—

Plans for the establishment of a country export meat works and abattoirs at Kadina at a cost of £500,000 were announced by the Premier in his weekly broadcast from 5 A.D. last night. State Cabinet had approved in principle the offer of the Metropolitan Meat Company to carry out this work, and legislation was being prepared for Parliament for ratification. The project is for a modern

abattoirs and meat works on the stand and approved by the Commonwealth Department of Commerce and Agriculture. The expenditure of £500,000 would be spread over three to five years, and the initial cost would be £300,000.

The Kadina works would provide the Kadina, Moonita, Wallaroo and Paskeville areas with a district abattoirs and suppliers in these areas could be provided with inspected meat. Every endeavour would be made to extend the service to Yorke Peninsula and adjacent towns. The works would have a capacity to treat 12,500 lambs or sheep a week, 250 pigs, 250 calves, and 100 head of cattle, together with a storage capacity of 50,000 lamb carcasses. The remaining details to be worked out would be discussed by the Minister of Agriculture with the company, but there was no doubt that they would be speedily dealt with. This would enable legislation to be presented to Parliament.

On July 30, 1953, in reply to a question, the Premier said:—

I understand the company is prepared to go ahead straight away, and that the terms of the Bill have been completely settled with the Minister.

The matter then dragged on until June, 1954, when the Commonwealth Government came into the picture. It appeared to people in my district that the Government was making it very hard for the Kadina meat works to become established. I feel confident that, had the Government not put these obstacles in the way, meat works would now be operating at Kadina.

Mr. Heaslip—What were the obstacles?

Mr. O'Halloran—The right to send rejects to the metropolitan market.

Mr. HUGHES—The company did not have that right at the time. Kadina had a number of advantages over other South Australian country towns for the establishment of freezing works—the availability of manpower, the fact that it was in the heart of producing areas, and had nearby the best outport in South Australia. It should be possible to develop abattoirs at certain selected areas for slaughtering meat both for local consumption and export. It would remove the continuing slaughtering difficulties of butchers in country areas and the cost of maintaining them, particularly in smaller communities, if the meat could be killed at a central depot and delivered to a number of towns within a radius of 20 to 30 miles. In addition, meat could be killed for export during the export season. It is better to provide facilities at the source of production than for stock to cover long distances to reach a freezing works. They could be brought to Kadina from as far south as Edithburgh and as far north as Crystal Brook.

The establishment of country meat works would solve the problem of quotas that occurs in the peak of the most favourable lamb seasons, and producers would receive a higher price by having their lambs treated in the area where they were reared. It is easier to transport rejects as frozen meat than as livestock. It is a very encouraging and important concession that the Minister has brought forward in the Bill to anyone desirous of setting up a meatworks. In his second reading speech, the Minister said:—

If the abattoirs is situated within the metropolitan abattoirs area the inspection will be made there.

If the Government is to allow killing works within the Metropolitan Abattoirs area, there must be something definitely wrong at the abattoirs, which I feel needs some investigation. However, I support the Bill on principle.

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I thank members for their close attention to this matter, and will answer one or two points raised in the debate. I did not expect the history of the Kadina project to come up for review, but my understanding is that the Government did everything possible to make it a success, offering conditions and terms to the company that other abattoirs would not have dreamt about. When negotiations were at an end I believe the company freely acknowledged that the Government was not to blame, and that it had done within reason everything that the company required. It has been said that the Government might establish a meatworks in the country, but a year or so ago the manager of the Government Produce Department was asked to report on the possibility of establishing a meat works in the South-East, and it was his considered view, expressed in a lengthy and comprehensive report, that the South-Eastern people did not want a Government works.

I believe the Bill will help the situation considerably as it will provide more avenues for slaughtering export meat. Many producers will recall the many occasions they have had fat lambs ready for the market, but have been unable to sell them in Adelaide because of the slaughtering difficulties at the time. That has happened several times in the last few years, and as every member knows, it is necessary to kill export lambs at the right time, and at that time only. If they are not killed when ready, it is difficult to keep them in proper condition. The Opposition has complained that the Kadina meat works was not offered a sufficient percentage

of stock killed by it for disposal in the metropolitan area, yet on the other hand the Leader of the Opposition complained that exporters were being offered too much under the Bill, so it seems that criticism is being levelled both ways. I assure the House that this received much consideration, and there is no doubt in my mind that the abattoirs are not being torpedoed, in the words of the Leader of the Opposition, under the Bill. This measure will give the genuine exporter the opportunity to kill for export because it will allow him to dispose of his percentage of rejects. The percentage has been mentioned by the member for Ridley (Mr. Stott), so I shall not enlarge on it. When introducing the Bill I stated that it was an ample figure, and I am certain that that is correct. This percentage must not be looked upon as a percentage in the numbers of carcasses: it is a percentage by weight of meat exported in a frozen or chilled condition during the year, and has no reference to the different types of meat. In 1957-58, a total of 231,175 carcasses of mutton was rejected at the abattoirs, yet 169,235 of those were ultimately exported in boneless form. In addition to that, there were quite a number of other carcasses, which could be disregarded in that figure of actual rejects. It means that the operations of the Abattoirs last year allowed, as far as it is possible to estimate, approximately 11.4 per cent rejection for mutton, 6.8 per cent for lamb and 8 per cent for beef, which on all round averages would not be more than 10 per cent. For the average year, it would be less, though not considerably less, than 10 per cent.

The Abattoirs Board has been under fire tonight for its management and constitution. I do not want to throw bricks at it, and this Bill is not designed to do so. The abattoir is being very well conducted. Soon after I was appointed Minister, I went out there and had a good look through it. My whole impression was that the work was being carried out efficiently and that the facilities recently put in by the board have given it the opportunity to handle satisfactorily all that it would be offered. We must, however, remember that in a country like this, with our marked fluctuations in seasons, it is difficult under any conditions satisfactorily to cope with everything that comes in. Sometimes it is said that at the Abattoirs there is a spare chain that could be manned if the need arose. We must remember that the training of slaughtermen must take place months and months ahead.

Before I left the Abattoirs the other day, I asked, "Are you fairly satisfied with the equipment?" They replied, "Yes, but we do want one more thing, and that is a fortune teller. We ought to be able to foretell the seasons a couple of months ahead, if not longer." That explained why the Abattoirs Board is so frequently under fire. I do not hold that it is in any way inefficient; it is doing well. This Bill is not designed to criticize it in any way. Although I will carefully consider the points raised on the second reading, I do not necessarily agree that the constitution of the board should be altered at this stage.

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

FIRE BRIGADES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 26. Page 525.)

Mr. TAPPING (Semaphore)—I support the second reading. At first glance, the Bill does not appear to be very important but, when we give it a more thorough investigation, we find that it will enable the Fire Brigades Board to make extensions in country areas by building new stations, and also to re-site some existing fire stations in the metropolitan area. The purpose is to amend section 26 of the principal Act by increasing the power to borrow from £25,000 to £100,000. Although the Fire Brigades Board has done an excellent job in South Australia, because of the present situation in some of the country areas such as Mount Gambier and Elizabeth there is no doubt that permanent fire stations are imperative to protect the people living there, as intended by Parliament under fire brigades legislation.

Mount Gambier, with a population of about 11,000 people, has an auxiliary service. I do not deny that that service is efficient and affords good protection, but the time has arrived when Mount Gambier should have a permanent fire station. I can only assume that the purpose of increasing the borrowing power to £100,000 is to enable Mount Gambier and such towns to benefit. Auxiliary fire services throughout the length and breadth of South Australia have performed wonderful service in the defence of property and life throughout this State. I pay them tribute for what they have done in a voluntary capacity for so many years. Elizabeth is at present served by the Salisbury fire service. On

special occasions it can also call upon the Government service stationed at Penfield, and there again that will give good service too; but Elizabeth deserves a permanent fire service, adequate to protect the lives and property of its big and growing population.

The re-siting of stations in the metropolitan area is also most important. Because of the big industrial and housing expansion on the LeFevre Peninsula, the time is now ripe for the establishment of a fire station to serve the northern area known as the Osborne-Taperoo zone, where there are many temporary homes owned by the S.A. Housing Trust. Two years ago two fires in that area destroyed homes and two kiddies were burnt to death. Fires, of course, will occur anywhere, but that area has no warning device to make it known that a fire has broken out. The only existing means of warning is by public telephone, and we know that is not always available. Therefore, a fire may take place, as it did on one occasion, and about 10 minutes may elapse before a public telephone can be used to acquaint the fire brigade of that fact. Then, although the brigade comes as quickly as possible, the house is already razed to the ground. As I say, on one occasion kiddies' lives were lost.

That makes it abundantly clear to Parliament that the re-siting of the metropolitan fire stations is imperative because of the growing population. Harking back to the tragic fire that occurred some two years ago, I led a deputation from the Taperoo Progress Association backed by the Port Adelaide Corporation. We put our case, pointing out the need for greater fire prevention in that area, and particularly emphasizing the need to let the fire brigade know that a fire had broken out. The Premier pointed out that, although he was Premier and Treasurer of the State, this was a matter that came under the S.A. Fire Brigades Board, to whom the case should be sent. After some 1½ years, the Taperoo Progress Association was informed that the Fire Brigades Board did not see fit to provide the facilities asked for by the association. That was rather short-sighted: it might have been a question of pounds, shillings and pence. Referring again to the need for re-siting some of these stations, for some years the fire station at Semaphore has given valuable service but, because of the growing population of Port Adelaide and, in particular, Largs North, it would be better to close the one at Semaphore and build a decent fire station in the Largs North area to protect its people.

The population there is growing as the years pass by. We have the tanks and installations of the Shell and Vacuum Oil Companies there. Further north there is a paint company, the Electricity Trust, I.C.I., and the gas company. Little industries are opening up almost monthly. For that reason, and particularly for the sake of protecting the lives of the people living there, a fire station is essential in that area. Housing has increased considerably in the northern area. LeFevre Peninsula has about 2,500 homes at the moment and in the years to come a garden suburb will be created by the Housing Trust on land now owned by the Harbors Board, and up to 1,500 homes will be built there. That strengthens the case for having decent fire protection.

Although the Bill increases the borrowing power, which will be for the purpose of re-siting stations in the metropolitan area and also helping country areas, it would have been better had the House been told what the plan was, so that more information would have been available for me the better to expound the case. I can only assume that the Fire Brigades Board will be progressive and spend the money on at least some of the suggestions I have made.

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

LIBRARIES (SUBSIDIES) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 26. Page 524.)

Mr. TAPPING (Semaphore)—I support the Bill, though it applies only to free libraries. In Port Adelaide a library has been functioning for many years, but subscribers pay only an annual contribution: they do not pay a fee for each book they borrow. This library has rendered excellent service, and the Government might grant sums to such institutions. I am sure there are several of these institutions in South Australia, and those patronizing them would be grateful for Government assistance.

Mr. JOHN CLARK (Gawler)—I have strong feelings about this legislation. I have vivid memories of the original legislation, and if the position were not so serious it would be amusing. Many members opposed the 1955 Bill because it contained several provisions they did not like. Several members on this side of the House said it was piecemeal legislation that would be given a trial, and that attempts would be made later to improve it, but that is not a good way to legislate. We said we did

not like the Bill because it made no attempt to establish free libraries, it did not meet any of the capital expenditure of such libraries, and particularly because it placed the complete responsibility of establishing such libraries upon councils. We also said that few new libraries would be established under this legislation because councils could not afford to incur the financial liability of providing them. We maintained that the legislation would be virtually useless, and although I do not get much satisfaction from saying, "We told you so," what we said in 1955 has proved to be correct.

A few weeks ago the member for Norwood (Mr. Dunstan) asked the Minister of Education how many libraries had been established and how many were receiving subsidies under this legislation. The Minister replied that only the Elizabeth public library was receiving a subsidy and that it was lending books at an average rate of 8,025 a month. I had the pleasure of being present at the opening of that library, and I know that the people of Elizabeth have shown a keen interest in it and have benefited enormously, but that is the only library that has been established under this legislation. I believe the Minister has been very disappointed at that, and I understand the Bill has been designed to enable more libraries to receive subsidies.

Three years ago some of us suggested it was most necessary to subsidize the capital cost of the building and furniture of libraries, otherwise the legislation would be abortive, or even a deterrent to the establishment of libraries. It is pleasing to note that, under this Bill, our suggestion has been adopted, and it should be a great help. The *Advertiser* today published a letter from Mr. C. R. Lawton, secretary of the Free Library Movement, who expressed his delight at this Bill. He believes it will lead to the establishment of more libraries, and I hope and believe it will. In his second reading explanation the Minister said:—

A further result of the Bill will be that, as regards libraries operated by approved bodies, there will be no necessity for the council to contribute towards the annual cost of management before the Treasurer can grant a subsidy for this purpose. It is considered that the existing provision requiring a council contribution could operate adversely as it might mean that, by reason of a council refraining from contributing to such a library, the approved body could not be subsidized and, in all probability, the library would not be established. That is exactly what has been happening, and again exactly what we suggested when

we debated the original Bill. However, I suppose we should be happy that it took only three years for a Bill to be introduced to embody the ideas we expressed, for often it takes much longer than that. Our library development has been humble, and the policy of bringing down faulty legislation with the idea of giving it a trial is not a wise one. Surely it would be better to attempt to get nearer the best on the first occasion. Had the Government taken the advice of qualified people the legislation would have been much better. I support the Bill because much improvement will result from it, but I am not happy about one aspect. Unfortunately, we are still denied free libraries in South Australia in the real meaning of the term. Some members may ask, "Are free libraries desirable?" but I believe they are. Let me go back to what can be classed as the first report of any value on library management in Australia, and I shall quote from the Munn-Pitt report of 1935. This was prepared by two experts from the United States of America under the auspices of the Carnegie Corporation. This report caused a flutter in the dove-cotes, but it was only temporary and little has been done for libraries in this State since then. It stated:—

The Institutes Association of South Australia is the most highly organized and fully developed library association in Australia . . . Although the institute system with its subscription fees is entirely out of date from an overseas viewpoint, it is almost universally accepted in Australia as adequate to the need. We may well ask, "Did the Munn-Pitt report have any results in South Australia?" There was some show of an attempt to adopt some of the recommendations. Dr. A. Grenfell Price was asked to submit a report on the system of management of libraries maintained or assisted by the State, and, as one would expect, he submitted a good and detailed report. It was not completely in agreement with the Munn-Pitt findings, but basically it was. This is what Dr. Price said:—

It shows clearly how far Australia has lagged behind some other English-speaking countries in library development.

That was in 1937, and unfortunately I feel we are still lagging. Very little was done by State legislation following Dr. Grenfell Price's report, but in 1938 the then Minister of Education (the Hon. Shirley Jeffries) introduced the Libraries and Institutes Bill in this House. The Government at that time was so interested in that legislation that the measure was allowed to lapse! That was not the end of

it, I must admit, as a similar Bill was eventually passed in 1939 and at least tried to incorporate some of Dr. Price's ideas. Certain reforms were implemented, but some do not seem to have had any tangible results. Two valuable reforms were introduced in that legislation, the first being the establishment of the free lending service of the Public Library. Country members in particular will know that that has been of inestimable value to people in country areas and, in recent years it has been to people in the city as well. That legislation also brought about the appointment of the Libraries Board. That was in 1939—nearly 20 years ago. The appointment of the Libraries Board and the establishment of the country lending service, within the limits allowed by the legislation, have resulted in really splendid work.

It is interesting to note that Sir Shirley Jeffries, when explaining the Bill, used words that were very prophetic. He said:—

In other parts of the world such as Great Britain and the United States of America there are great systems of free libraries. It will probably be many years before South Australia can hope to emulate those examples, but in the meantime there is much that can be done to improve our existing libraries. He was of the opinion that it would be many years before we could hope to emulate those examples, and that was only too true. That was in 1938, and we waited until 1955 before we had any legislation on this matter at all. The Bill introduced then disappointed nearly everybody who was really interested in libraries. Although little was done by the Government from 1938 until 1955, some interest was shown during that period in the management and running of libraries. In 1947 the Australian Council for Educational Research brought out from England Mr. Lionel R. McColvin, the City Librarian of Westminster, England, and honorary secretary of the Libraries Association of Great Britain. After making investigations he published a book on this matter called *Public Libraries in Australia*. Let me say in all fairness that his trip was to a very great extent sponsored by the Federal and State Governments. The idea of his visit and his findings was to attempt to modernize Australian libraries. The usual result followed: he made valuable recommendations, but not very much notice was taken of them. With regard to South Australia he said:—

There is only one way to give people proper public library service, and that is to establish

public libraries administered by local authorities, with the support of the State.

Some members may make the mistake of thinking that the 1955 Act did that very thing, but that is not the case. Mr. McColvin, after a long and exhaustive study of libraries in Australia, said:—

For reasons already discussed it is manifestly essential that all the people of Australia shall enjoy full and free access to books and related materials through a nation-wide system of public libraries efficiently and economically organized and administered and properly related to social, economic, cultural, and educational life and institutions.

The key word of this particular quotation is "free." I remember quite vividly that in 1955 the present Minister of Works, then a private member, said of my remarks:—

He said that we should set out a policy of having absolutely free libraries, but I cannot agree with that.

I think he felt that things given free are not valued very much. I do not quite know why he should feel that, but that seems to be the opinion of certain people. I do not know whether the Minister still holds that opinion or not. I was rather struck on reading through an American magazine the other day to find words that were spoken by Representative Harold H. Velde, a member of Congress in America. I do not know whether that gentleman was a Democrat or a Republican.

Mr. Jennings—There is not much difference.

Mr. JOHN CLARK—I am not certain of the difference, but after reading what he said regarding free libraries I was quite certain what he was. He said:—

I am opposed to the Public Library Demonstration Bill. Educating American people through the means of this library service could bring about a change of their political attitudes quicker than any other method. The basis of all Communism and Communistic influence is education of the people. If we are opposed to Socialism we must all conscientiously oppose this Bill.

I am certain that the Minister would not subscribe to feelings such as that, but I still feel that some members opposite perhaps doubt the wisdom of free library services. I hope those members will take the opportunity to rise to their feet and express their opinions on it.

I believe that in this legislation, even as amended, there is no really free library service. Let me summarize what Mr. McColvin said in his book, because it sets out the basis of the free library system. He advocated giving everyone free access to books, and said:—

This involves—

- (a) The establishment of public libraries with the necessary service points in all parts of the country.
- (b) Such co-ordinating and grouping of local services as will give economic operation.
- (c) Staffing by a sufficient number of qualified librarians.
- (d) The provision of sufficient book stocks at all service points and the machinery for interchange of stocks up to date and constantly changed and refreshed.
- (e) Machinery supplementary to (d) above for supplying to individual readers more specialized material, particularly for people who, living in relative isolation, are out of reach of normal service points.
- (f) The stimulation and maintenance of local interests, so that local services may be related to the maximum, with local needs.
- (g) The support of the State Governments to make possible adequate provision, and to stimulate and assist development on sound economical lines.

There was not many of those ideas in the original Act, but there is a trifle more in this amending legislation. Why bring out acknowledged experts at great cost and then ignore their advice? That was the pattern followed even up to the introduction of the Bill in 1955. Another expert came from the United States of America at the request of the Library Association of Australia. Mr. E. H. Behymer was sent out by the U.S.A. Educational Foundation to investigate Australian libraries and whilst here he held seminars on library development and practice. His report makes interesting reading and he drew the same conclusions about Australian libraries as did his predecessors. One interesting and possibly amusing statement was:—

At the present time with the taxing authority in the hands of the Federal Government the development of a co-ordinated programme of library service would be reasonably simple. The Federal Government through the establishment of the Australian Broadcasting Commission has evolved a pattern which could be followed.

Although his knowledge of library management may have been great, his knowledge of our Federal system was not extensive. I would welcome Federal Government assistance for libraries, but cannot see much coming from the present Administration. Let me give members the benefit of an expert nearer home. I refer to Mr. Brideson, Principal Librarian of the South Australian Public Library, who is fully qualified to talk on this subject. In fact, in a search for experts I do not think we could find one much better.

Mr. Bywaters—He would not be in his present position if that were not so.

Mr. JOHN CLARK—Yes. In 1955 Mr. Brideson had the privilege of attending a conference or council in Queensland where librarians from all over Australia discussed library management. The suggestions he gave and the particular system of libraries he preferred should have been adopted by the Government. His report was a very valuable one. He suggested three possible methods of establishing free libraries throughout the State. The first was that there should be free libraries in selected centres, financed by the Government and operated by the Libraries Board without assistance from councils. Such libraries would operate as branches of the Public Library of South Australia. Mr. Brideson said that this was the method he favoured and that from the economic, administrative and library efficiency points of view, branches of the Public Library of South Australia in selected positions throughout the State would be the best scheme.

To be on the safe side he made two other suggestions. One was that there should be free libraries operated jointly by the Libraries Board and the local councils, the latter arranging or contracting with the board for library service, and the book stock and the professional staff being supplied by the board. Regarding this scheme he said that if the board and the Government felt that the councils should bear a portion of the cost he would recommend this second scheme. Apparently the Government considered that the councils should not bear the cost. Mr. Brideson also said that there were weaknesses in the scheme. The other scheme suggested was that councils should operate free libraries with the necessary funds coming from council rates, plus a Government pound for pound subsidy paid through the Libraries Board of South Australia. This scheme was substantially adopted in the 1955 Bill. Of the three schemes the third was selected by the Government. Mr. Brideson said:—

This method is being used in the eastern States where local government is more developed than in South Australia and the centres of population much larger. It is being found that even in these States that very few councils have sufficient population to run an independent library service. Because of the distribution of population and the undeveloped nature of local government here, council operated free libraries cannot be recommended for South Australia. Such a scheme in my opinion would result in a poor library service of limited educational value staffed largely by

untrained personnel. The cost would be high and the efficiency and effectiveness low. I could not recommend the third scheme.

He could not recommend it because he thought it would result in a poor library service and cause costs to be high and efficiency low.

Mr. Bywaters—He favoured the first one.

Mr. JOHN CLARK—Yes, because it made a genuine attempt to institute free libraries, but the Government chose the third scheme, which he did not really like. Nothing has happened in regard to libraries except the establishment of an excellent library at Elizabeth. I believe others are foreshadowed, but I doubt very much whether any would be contemplated but for the possibility of this amending legislation. It disposes of many of the objections raised when the previous Bill was considered. This legislation is not what I should like it to be, but is better than what we had earlier. Perhaps I am grasping for the moon and am looking for the perfect legislation. Even in its present form I am afraid that it will not lead to the establishment of more free libraries. I hope I am wrong, but I believe the right sort of reading is one of the best habits that anyone can acquire. After all, the whole world of knowledge, pleasure and entertainment lies before the readers of books if such are readily available and sufficiently cheap. Members will appreciate that it is easy to get hold of rubbish cheaply. We should all like to make it easier for people to obtain better reading and we must ask ourselves whether this amendment achieves that. Quite frankly, I believe it gives us slightly more than the little granted us in 1955. I do not think it is adequate, but certainly on account of the little more that is doled out we must accept it and, I suppose, give thanks too. No doubt we shall have to wait patiently for another three years before we get a little more. Apparently our libraries legislation must be worked out bit by bit over the years. One consolation is that possibly the Government in power next year may be a little more sympathetic to such progress. I support the Bill.

Mr. LAUCKE (Barossa)—I am delighted with the introduction of this amending Bill. I hail it as the most realistic approach and the most progressive move towards ensuring really worthwhile library services yet devised in this State. I am particularly happy with its implications to country areas which do not enjoy immediate access to the Public Library as is enjoyed by city dwellers. I can envisage, with the real assistance forthcoming under this

proposal, a system of libraries being established in the country of a standard and type comparing favourably with the Public Library, which body will assist the stocking of country libraries.

The real value of this proposal is evident on a quick comparison with the provisions of the 1955 Act. Under that Act the library had to be established and furniture and fittings provided before a subsidy could be made available only to maintain and manage the library. The Government subsidy was based on the amount of council contributions. Under the proposed legislation the capital cost of premises to provide a library will be subsidized equally with the amount provided by a council or by an approved body. I am happy that the words "approved body" have been incorporated in the proposed legislation because in country areas councils are heavily committed to road programmes and other matters and are unable to assist in the formation of libraries. The provision of a subsidy related to assistance from an approved body is a major forward step.

I noted, however, with some concern this statement by the Minister in his second reading speech:—

The subsidy will be limited to premises owned by the council or approved body.

Can the Minister inform me whether the rental or leasing charge paid by an approved body would be the subject of a subsidy? In some country areas money is not forthcoming to provide a building for a library, but local residents make available rooms or a section of a building at a rental which, if subsidized, would enable funds to be accumulated to erect ultimately a library building. If the subsidy does not apply to a rental or leasing charge, I would suggest an amendment to cover that situation.

The institutes of South Australia, numbering 228, could become approved bodies if they were to hand over their titles to local councils. I wonder whether we might somehow overcome the need for the institutes to cede complete control to councils. I can see a difficulty inherent in institutes becoming approved bodies. Under this legislation I envisage, with a lending service being made available from the Public Library, that these libraries will have books other than fiction—possibly reference books. It is interesting to note the number of applications being made weekly to the library on North Terrace. I understand that three years ago 150,000 books were lent from the Public Library to country libraries. These

books travelled a total distance of 37,500,000 miles and freight and postage equalled 8d. a book. This indicates that there is a real demand in country areas for books of reference—books not usually found in small country libraries. Hitherto we have not had sufficient books that assist in educating the rising generation.

The member for Gawler said he should like to see completely free libraries and mentioned other aspects he should like incorporated in this legislation. I can see within the provisions of this Bill a firm basis for the provision of libraries within the ability of country areas to provide because no longer will country towns have to depend entirely on local councils. I visualize that Greenock will undoubtedly attach itself to Nuriootpa for its library facilities. Nuriootpa, with its community centre, could provide assistance and would be the approved body to ensure the Barossa Valley of a worthwhile library.

Regional conferences could be held within districts and a form of decentralization of libraries could be effected to the great advantage of country residents. I welcome this legislation as a progressive step towards assisting the education of our people and it is, I have no doubt, of particular benefit to country dwellers. I have much pleasure in supporting the Bill.

Mr. JENNINGS secured the adjournment of the debate.

OIL REFINERY (HUNDRED OF
NOARLUNGA) INDENTURE BILL.

The Hon. Sir THOMAS PLAYFORD
(Premier and Treasurer) moved—

That the Committee be granted another seven days to bring up its report.

Motion carried.

ADJOURNMENT.

At 9.30 p.m. the House adjourned until
Wednesday, September 17, at 2 p.m.