HOUSE OF ASSEMBLY.

Wednesday, October 28, 1959.

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

QUESTIONS.

WHYALLA INDUSTRIAL SITES.

Mr. LOVEDAY—The decision to construct steelworks at Whyalla has caused considerable interest among parties who wish to establish industries there. Many inquiries have been made during the last four or five months to the Whyalla Town Commission and many people have applied to the Lands Department for industrial sites. The existing industrial area is full and the only prospective area is one of 95 acres shown on the plan of the proposed subdivision of the old aerodrome, but it is not available yet. The chairman of the Town Commission has stressed to the Lands Department the urgency of the matter on a number of occasions since last July and interested parties who have approached the department direct have been unable to make progress. One industry has already given up the idea of going to Whyalla and is going elsewhere. Another industry needs 100 acres and will probably employ 500 to 1,000 people when established. In view of this situation and a very adverse soil report made in respect of a large proportion of the old aerodrome, will the Minister of Lands—

1. Take steps to have the 95 acres made available for allotment for industrial purposes immediately?
2. Make available for industrial purposes more of the old aerodrome area which is unsuitable for residential development?
3. Make available for industrial development purposes further areas in the Whyalla area suitable for industry which may have objectionable characteristics and may not be suitable for establishment on the side of the town subject to prevailing southerly winds?

The Hon. C. S. HINCKS—I think most of the matters raised by the honourable member are being dealt with and I understand that in some instances the Director of Lands has been in touch with the Commissioner, Mr. Ryan. However, I will take up the matter this afternoon and get a report for the honourable member tomorrow.

CAMPBELL PARK SOLDIER SETTLEMENT.

Mr. BYWATERS—This morning I had a telephone call from a man at Campbell Park who spoke, I believe, on behalf of a number of settlers there. He told me that they were unhappy about signing the agreement for extra land and that there were a few objections. One of them was that the Minister had told them that the rent would not be assessed until May 1, 1960. Will the Minister be prepared to allow the settlers to act as caretakers on the additional land until May 1, 1960, when we shall have a better idea of the position regarding the rent they are being charged, and whether they have maintained the land in fit and proper order? They approached me because I am secretary of the A.L.P. Rural Committee.

The Hon. C. S. HINCKS—These matters and many others were discussed with a deputation recently and a liberal allowance for additional land has been made to them. I am afraid that at the moment the answer to the question is definitely "No."

HOUSING.

Mr. DUNNAGE—In the *Advertiser* this morning appeared a report from Melbourne that A. V. Jennings Industries (Australia) Limited, builder, planned to spend £30,000,000 over five years on housing projects in South Australia, Victoria, Tasmania and Western Australia. Does the Premier know anything about this report and can he give the House details about where the firm is likely to build in South Australia?

The Hon. Sir THOMAS PLAYFORD—This firm has been operating in South Australia for some time, but I have no details of the proposed expenditure mentioned in the press this morning. I am not sure whether this is the value of the work it proposes to do or an estimate of the amount it is providing for financing the work. There would be a considerable difference between the two. This is a reputable firm and it does good work, but I have no knowledge of the programme mentioned by the honourable member.

WAR SERVICE LAND SETTLEMENT.

Mr. QUIRKE—Has the Premier a reply to the question I asked yesterday about the statement by Dr. Forbes, M.H.R., concerning land settlement?

The Hon. Sir THOMAS PLAYFORD—The following statement has been prepared by the Lands Department:—

During the recent debate in the House of Representatives on the War Service Land Settlement Loan Bill, Dr. Forbes, whilst acknowledging the success of the scheme, commented adversely on the divided jurisdiction between the Commonwealth and the State which operates insofar as the Agent States are concerned, and he expressed the opinion that either the Commonwealth or the State should have been required to accept complete responsibility for the scheme.

As the Commonwealth, for various reasons, could not have undertaken this responsibility, and as it was unwilling to hand over full control to the States, there was no alternative but to implement the scheme as a joint undertaking in terms of the War Service Land Settlement Agreement Act, notwithstanding possible disadvantages of such an arrangement.

Whilst this form of dual control has certain inherent disadvantages some advantage may be claimed, in that the Commonwealth is in close touch with the administration of the scheme, and is fully informed as to its progress and problems, which problems can be dealt with as they arise.

Differences of opinion which have arisen between the State and the Commonwealth during the progress of the scheme have been resolved as quickly as possible, otherwise the scheme would not have progressed as smoothly and as effectively as it has done.

Although the State is responsible for the administration of the scheme, as agent for the Commonwealth, it is required to adhere to policies laid down by the Commonwealth relating to finance and to other aspects of the scheme, which is contrary to the statement made by Dr. Forbes during the course of his speech, "that the Commonwealth has responsibility but no power." That difficulties would be experienced in finding holdings for all classified applicants was recognized some time ago and during 1957 those applicants who, on their merit status, had little chance of securing a property were advised accordingly.

It is desired to state that one of the important principles of the scheme is that settlement shall be undertaken only where economic prospects for the production concerned are reasonably sound, and the number of eligible persons to be settled shall be determined primarily by opportunities for settlement and not by the number of applicants. Advice was received from the Commonwealth on July 24, 1958, of its intention not to accept any new project for development or to purchase any additional single units after June 30, 1959. Notwithstanding requests by the State for this time to be extended, the decision was confirmed.

Whilst it is believed that a continuation of the scheme for a further period would have resulted in some additional areas being accepted by the Commonwealth, the point had been reached when areas suitable for development were difficult to find and where few single properties could be purchased at a price that will enable a settler to succeed. In conclusion, I can only say that I believe that what has been accomplished in South Australia will compare more than favourably with what has been done in other States. This is supported by statements from the Federal Returned Soldiers' League conference.

USE OF POLICE NOTES IN COURT ACTIONS.

Mr. DUNSTAN—Has the Premier received a statement on the two cases relating to police reports of accidents to which I referred in an earlier question this session?

The Hon. Sir THOMAS PLAYFORD—Yes. The report is as follows:—

It is a rule of law that public officers are not permitted to produce confidential reports. So far as police reports are concerned, the rule is founded on the public interest that if the police are to make effective investigations they must protect their sources of information. There have been discussions over a period of some years between the legal profession and insurance companies on the one side and the Government and its advisers on the other as to the extent to which the Government should relax this rule in the case of accident reports in order to make the information in the hands of the police available for the purpose of civil claims. After a great deal of discussion an arrangement was arrived at which I believe was satisfactory to the profession and the insurance companies by which the Government went a great deal further than most other Governments have gone in supplying information. Under this arrangement:—

1. Photostat copies of accident reports are available to any interested party with the omission of statements of witnesses and police opinions. The statement of a witness is supplied only on production of authority of the witness.
2. Police officers are available for interview with the Commissioner's approval.
3. Information is not supplied in cases where the Government or bodies exercising governmental functions are involved. These bodies do not hand over the information in their possession except by the processes of the courts any more than they expect the other side to disclose the contents of their own briefs.
4. If special circumstances are placed before the Commissioner suggesting the necessity for special treatment, they are given consideration.

I am not sure that this is the case mentioned by the member for Norwood or the member for Mitcham, but I will deal with it because it gives some general information. I will omit the name of the person concerned. The statement continues:—

I have seen the papers in the case of ——. So far as the record before me indicates, the

Commissioner was given a subpoeana to produce the police report, without any explanation of why it was required. In those circumstances it was clearly his duty to seek and produce the Honourable the Chief Secretary's certificate in accordance with well-established practice. There is a long letter in the docket from the plaintiff's solicitor in which he says he was sending a copy to a member of Parliament, and which contains the passage "To the writer it seems incredible that any person knowing the true facts as set out above could possibly certify that it was not in the public interest to produce the relevant portion of the report." The complaint is misplaced for two reasons. The Minister's certificate did not relate to any part of the police report, but simply to the class of document to which it belonged and, moreover, he could hardly be blamed for not knowing the facts of a local court action unless someone told him or his advisers what they were. If, instead of serving a subpoena on the Commissioner to produce a document which it is fairly well known is privileged, the solicitor had written informing him of the facts, enough of the report would probably have been made available to allow the witness to refresh his memory and give evidence. From my reading of the report I would think in any case that the plaintiff was well advised to accept an offer of settlement.

The other case mentioned by the honourable member has apparently not been heard and I have seen no record of it. The Commissioner's action appears to have been in accordance with accepted practice. If the plaintiff is unable to make out a case for damages, that may be unfortunate, but it is not the fault of the Police Department. The function of the Police Department is to maintain law and order, not to facilitate the prosecution of civil claims. Insofar as they can assist parties in accident cases without prejudicing their proper functions, they do so, but the practice has already been extended as far as it properly can be.

The honourable member will see there was, unfortunately, a misunderstanding in this case at the outset. The reasons for the production of the documents were not set out. They were privileged documents, and no reason was given, so steps were taken to prevent their being available. The matter brought forward by, I think, the member for Mitcham and the member for Norwood would be well worth ventilating, because I can assure these members that the Police Department is anxious to help in all these matters provided it is clearly understood that they do not dry up sources of information by the untoward disclosure of witnesses' evidence when that may not be desired by the witnesses themselves. If the honourable member wishes, I will see that he gets a copy of this communication so that he may be able to forward it to the interested parties.

Mr. DUNSTAN—The second case, which I cited to the Premier, involved a constituent of mine who was riding a bicycle down Magill Road, Norwood, followed by an M.T.T. bus. As he was riding along, the driver of a vehicle that was stationary on the left of the road opened his door and knocked this man to the ground in the path of the bus, which was then involved in an accident with the man. The man was unconscious after the accident and had no details whatever as to exactly who was involved, what had transpired, or what action was taken. The Premier said that in his view the Municipal Tramways Trust was not a Government instrumentality which the Government would be justified in treating as a body concerning which it ought not to reveal information from police reports, and, in these circumstances, I ask whether he will again take up with the Chief Secretary this case and detail to him the matters I have put forward so that it can be determined whether the police report can be released? I do not ask that confidential witness statements be released; merely that the police constable's evidence of what transpired at the scene of the accident be released.

The Hon. Sir THOMAS PLAYFORD—Yes.

ABATTOIRS KILLINGS.

Mr. HEASLIP—Over recent months primary producers have been very pleased with the numbers of stock handled at the abattoirs and the good job being done there. A record number of sheep were handled the week before last. Can the Minister of Agriculture say what numbers were slaughtered or were there for sale yesterday, and can he say how many have been despatched?

The Hon. D. N. BROOKMAN—As the honourable member knows, restrictions on road deliveries to the abattoirs will be imposed this week. A certain slackening in killing figures will occur on account of the annual butchers' picnic, and for that and other reasons, including the extraordinarily dry season, some restriction will operate. I am pleased the honourable member raised this question in rather an approving way, because I feel that the work of the Metropolitan and Export Abattoirs Board recently has been an outstanding credit, not only to the management, but also to the slaughtermen and all other employees of the organization. They have put up some rather astonishing figures. All chains have been working throughout and they have an increased number of slaughtermen over last year. The figures of killings are very high. I have a table showing a comparison with what was

done in 1958, and I ask leave to have it inserted in *Hansard* without its being read.

Leave granted.

ABATTOIRS KILLINGS.

Total Local and Export Sheep and Lambs.
Comparison of weeks commencing September 1.

Week.	1958.	Days worked.	1959.	Days worked.
1 ..	33,744	5	72,190	6
2 ..	35,229	5	90,064	7
3 ..	39,996	5	96,862	7
4 ..	51,735	6	96,277	7
5 ..	65,956	6	87,644	6
6 ..	80,084	7	83,779	6
7 ..	59,191	6	79,450	5½
8 ..	45,736	4	102,374	7
Total:	411,671	44	709,640	51½

Mr. JENKINS—Can the Minister of Agriculture indicate the percentages of the various types of meat from the slaughtering that has taken place at the abattoirs, such as lamb and mutton for overseas, home consumption meat, and canned meat?

The Hon. D. N. BROOKMAN—I shall endeavour to obtain that information for the honourable member.

EYRE PENINSULA HIGHWAYS.

Mr. BOCKELBERG—Has the Minister of Works a reply to the question I asked on October 14 regarding highways on Eyre Peninsula?

The Hon. G. G. PEARSON—My colleague, the Minister of Roads, advises that surveys have been carried out on several long sections of Eyre Highway and traffic counts are being taken at present to enable this department to determine which sections are to be constructed in the first instance. It is expected that as soon as Lincoln Highway is completed, work will commence on the reconstruction of sections of Eyre Highway. It is anticipated that limited funds for the gradual extension of the bitumen on the Port Lincoln end of the Flinders Highway will be available during the reconstruction of Eyre Highway.

PUBLIC EXAMINATION FEES.

Mr. HARDING—Can the Minister of Education say whether entrance and examination fees are charged in this State for scholars sitting for Intermediate and Leaving subjects, and if so, how the fees compare with those in other States?

The Hon. B. PATTINSON—Fees are charged, and recently the charges were increased by the Council of the University of Adelaide, but before the University decided to increase the fees at the public examinations it obtained particulars of the fees charged at public examinations in other States. At the request of the honourable member, information regarding fees for public examinations in the various States has been supplied to me by the Registrar of the University of Adelaide. An entrance fee of £1 is charged in Victoria plus a fee of 10s. for the supply of the certificate. An entrance fee of 10s. is charged in South Australia. Queensland and Western Australia do not charge entrance fees. The fees for subjects vary with the number of subjects taken. They are too lengthy to include in this reply, and I will give only some of them. However, I shall be pleased to make the full list available to any honourable member who may wish to have it. Examples are:—

Intermediate Examination—

		s.	d.
South Australia ..	1 subject	17	6
	8 subjects	70	0
Victoria	1 subject	25	0
	8 subjects	95	0
Queensland	1 subject	20	0
	8 subjects	60	0
Western Australia .	1 subject	12	6
	8 subjects	70	0

Leaving Examination—

		s.	d.
South Australia ..	1 subject	20	0
	7 subjects	80	0
Victoria	1 subject	27	6
	7 subjects	105	0
Queensland	1 subject	20	0
	7 subjects	80	0
Western Australia ..	1 subject	25	0
	7 subjects	100	0

Leaving Honours (Matriculation Examination in Victoria)—

		s.	d.
South Australia ..	1 subject	22	6
	5 subjects	72	6
Victoria	1 subject	30	0
	5 subjects	90	0

ELECTRICITY FOR PORT GERMEIN POLICE STATION.

Mr. RICHES—Will the Minister of Works obtain a report on the reason for the delay in connecting the Port Germein Police Station with electricity supplies? I understand a contract was let in July, but for some unknown reason the work has not been proceeded with, and the delay is causing considerable inconvenience.

The Hon. G. G. PEARSON—I shall be pleased to obtain a report.

GLENCOE-KALANGADOO ROAD.

Mr. HARDING—Has the Minister of Works a reply to the question I asked about the closing of the Wandilo to Glencoe narrow gauge

railway line and the building and maintaining of an all-weather road betwen Glencoe and Kalangadoo?

The Hon. G. G. PEARSON—My colleague, the Minister of Roads, states that he believes that the only assurance given was that funds would be provided to improve the road to a higher standard, with a view to sealing when additional funds permit. This policy has been maintained. Funds have been provided to both the district councils of Tantanoola and Penola during the current year:—(*a*) For the district council of Tantanoola to complete its section, approximately 6½ miles, to a good open surface standard in preparation for ultimate sealing; and (*b*) to the district council of Penola for maintenance purposes only. Before this section can be constructed to a standard, land acquisition is necessary, and a survey for this purpose will be commenced as soon as practicable.

METROPOLITAN MILK SUPPLIES.

Adjourned debate on the motion of Mr. Riches:—

(For wording of motion see page 1144.)

(Continued from October 21. Page 1153.)

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I will take up some time in replying to the remarks of the mover of the motion, the member for Stuart (Mr. Riches), because I want to go into considerable detail. I was hopeful, from the way he commenced his remarks, that we would hear a reasoned case that could be treated with respect. He said he was not an expert, that he did not set himself up to be one, and that he submitted the motion in a spirit of constructive argument. He said, "We have not set out to make a series of accusations—it is not that kind of motion." It was satisfying to hear that, because for a long time I have been concerned at the amount of misinformation and the number of wild accusations against the Metropolitan Milk Board. I thought the honourable member was starting off in the right way, but he did not continue to be quite as tolerant because he did make some accusations, and not only one or two. He accused the board of some rather serious charges and I want to discuss in detail some of those charges because the board, which is a small board set up in 1946 to administer an Act of Parliament, suffers a lot of ill-informed criticism, and must do so more or less in silence. Members of the board are devoted to their work, but they are asked to put up with criticism by people who, when discussing a complicated problem, often fail to delve into it deeply enough to ensure that their statements are based on proper facts.

There is no doubt that the formation of a committee of inquiry as suggested in the motion would be a serious rebuke to the board, and if members do not believe me may I draw their attention to the fact that the Opposition has on the Notice Paper three motions seeking the establishment of committees. This is a form of Parliamentary procedure—and it is quite a logical procedure—by which one can conveniently rebuke some person or organization without having to substantiate the charges one makes, and Mr. Riches did not substantiate his charges. He said, in effect, "I have heard a lot of rumours: I have been told a lot of things. I think we ought to have a committee to check up on them and find out the true story." Is this a good reason on which to base a demand for a committee of inquiry? In this House we frequently hear criticism and rumours, and too often we hear them because there is nowhere else for them to be said where people will listen to them. I know that some of the persons who have interviewed the member for Stuart have undoubtedly been given long and patient hearings and fair consideration of their cases by the persons to whom they first went, and it was only after failing to establish a good case for themselves that they came to Parliament House to try to impress members with their case.

I will deal with this matter at length and as the result of my doing so it will be seen that Mr. Riches did not produce any real evidence. He made certain charges and said he would substantiate them, but he failed to do so. Because of that I ask the House to treat the matter in the fair-minded way that Mr. Riches mentioned at the beginning of his remarks. If there is no real evidence, the motion should be defeated because it is a serious rebuke to men who should not have to submit to inquiries because of accusations not soundly based.

Mr. Riches mentioned a number of people. Probably his case can be summarized in this way. He mentioned a price increase for producers, the licensing of producers, the Auditor-General's comments about increases in accumulated funds held by the Milk Board, the cases

of Mr. Cox and Mr. Read, the general elimination of what he calls wholesalers, the margin for semi-wholesalers and rumours about the zoning of retail deliveries. Probably the most persistent advocate of this inquiry has been Mr. Norman Cox. He has seen me and many other people over the last 18 months, but now he has got what he always wanted, failing anything better—a debate in this House. Mr. Read was mentioned by Mr. Riches but his is a completely different case from that of Mr. Cox, although the same board is mentioned. The case of Mr. Read was debated in this House last year at considerable length, but notwithstanding that Mr. Riches has referred to it again.

Originally Mr. Cox saw my predecessor in office, the Honourable G. G. Pearson. Later I had his application brought before me. Mr. Riches said that the former Minister of Agriculture was sympathetic towards Mr. Cox but that somehow the inquiry had been sidetracked. I have discussed the matter with the former Minister and I do not think we are at variance in any way. I can set Mr. Riches' mind at rest on that point. He said that because of the changeover I had altered the policy and had turned down an inquiry started sympathetically by my predecessor. Mr. Cox saw me early last year and since that time I have seen him a number of times. Never have there been any hard words between us, and no angry statements have been made. Mr. Cox openly said that he would come to Parliament House to do his best amongst the members. He has interviewed a number of people. He has been to the previous Minister of Agriculture and to me, and to a number of lawyers who were acting either professionally or as members of Parliament: I am not sure which in each case. He interviewed the members for Mitcham and Norwood, Mr. Arthur Pickering, Q.C., and Mr. Travers, Q.C. He also interviewed another solicitor named Fricker and, later, radio commentators. He told me that he would get as much publicity as he could. Columns of his stuff have appeared in various newspapers at different times. He went to the Housewives' Association and probably numerous other people whom I cannot think of at the moment.

Mr. Riches reeled off a list of people whom Mr. Cox had seen, but not as many as I have mentioned. He mentioned the Honourable Sir Frank Perry and the Honourable S. C. Bevan, and Mr. Riches used this as a way of endorsing the case put forward by Mr. Cox. I think that is the worst recommendation that one could have for a case—to approach so many people and then endeavour to get the matter debated in Parliament. Not one of the persons mentioned followed up his case. I cannot see how he could go to several solicitors without one telling him he did not have a good case, or something of the sort. According to his statement he had an agreement with a wholesale milk treatment firm, but that firm sold out, and then for a time the arrangement he had with the previous firm carried on, and later he offered an unsatisfactory alternative, which the other man would not accept. I have not seen the agreement that Mr. Cox claims he had. People have said that there is such an agreement but I have not seen it.

Mr. Riches—I have.

The Hon. D. N. BROOKMAN—The board has not seen it. The board is taking a simple attitude in this matter. It says that this is a dispute between two parties and that it does not concern the board. Its policy is that it cannot enter into a dispute between two parties without sacrificing consistency and fair operations in other ways. If it were to intervene it would be asked to intervene whenever there was a dispute between two people in the milk distribution business, and it is not its job to do that. However, it is the job of the law of South Australia to protect Mr. Cox if he wishes. The member for Stuart said that Cox and a firm had an agreement that was breached and asked why he should be forced to have recourse to the law, stating that he should come here. Can anyone justify that argument? That would justify anyone, rather than suing another person in a court, in coming to Parliament and saying, "I do not want to be forced into the law courts. My case is a just one. Will Parliament fix it for me?" Obviously, this is a case for a court of law. If there is an agreement, it can be produced in court as in thousands of cases that come before the courts all the time.

I have not seen the agreement spoken of and I strongly doubt that there is one, but that is a personal opinion. Much information comes to me, some of which I can verify and some of which I cannot, but having been interviewed by Cox on several occasions and having invited him to come back to me if he had anything new to produce, I think I would have seen the agreement; not having seen it, I think it is reasonable to assume that it does not exist or that it does not have the effect Mr. Cox claims. The secretary of the Milk Board provided me with some statements

about this case, and I feel it would be fair for me to let members hear the statement made about Messrs. Cox and Read. The statement is:—

Over a period of years, more time has been given by the board to the Cox and Read cases than to the problems of any other individuals with which it has had to deal.

I have also spent much time in these matters. I do not begrudge it, but it has been spent on personal interviews and by people who ask things on their behalf and then go away and we hear no more of them. The report continues:—

Messrs. Cox and Read have no one to blame but themselves for their loose arrangements with the treatment plants concerned. If documents had been drawn up in a proper and legal manner and signed, then their problems and complaints would have more basis. In view of the large amounts involved as stated by Mr. Cox it would appear to be to his advantage to take the case to court and demonstrate that the goodwill in dispute is his. Since 1953 the vendors (who Cox claims belong to him) received their supplies direct from the plant at Kensington, formerly Schofields, and now since 1955 the South Australian Farmers Union. The whole of the services were performed by Schofields and, later, the South Australian Farmers Union; namely, milk supply, delivery, forwarding of accounts, collection of money. We are informed that Cox has not physically handled the milk since 1953 and has given no personal service to these shops and vendors. In fact his identity has been lost in that the accounts to these vendors were in the names of Schofields and the South Australian Farmers Union. Cox received 2½d. allowance on the gallonage represented by these vendors and also the milk taken for his Netherby-Mitcham business, on which he actually did some service. Cox still receives the allowance for the Netherby milk and his concern is for the allowance on 700 gallons daily not now granted to him. This allowance was not actually a separate payment to Cox but was deducted from the accounts due from Cox for the milk physically taken away by him. Cox must have received something like £2,000 a year for almost five years for doing absolutely nothing. The management of the South Australian Farmers Union is prepared to produce agreements and indentures to show that Schofield's set-up with Cox was never mentioned prior to or at the time of the sale. The South Australian Farmers Union says that they bought and paid for all the goodwill of all Schofield's sales. It was not until some time after the sale that the South Australian Farmers Union were aware of the Schofield arrangement with Cox. What the board has done has been to ask Mr. Cox to prove that the goodwill of the vendors in the dispute belongs to him. The position is by no means clear. Mr. Cox has not been straightforward in many of his statements, nor has a signed agreement ever been produced to the board. Instead of following the board's advice Mr. Cox has hawked his complaints to the Minister of Agriculture, members of the Government, newspapers, radio commentators, the Housewives' Association, and now members of the Opposition. The board has reached the stage where it is fed up with the statements made by Mr. Cox. Anything that he says or writes is good material for publication and misrepresentation, and the ridiculous charge that it is supporting cartels and monopolies is mentioned time and time again. Following legal advice, the board decided that it should not become further involved in what is considered to be a legal dispute between the parties. It also decided that it would make no further moves without consulting its legal advisers and this was done before the answer to the question raised by the member was made. The board has at all times kept the Minister fully informed on this and other contentious matters, and any information he has sought has been readily made available.

That would be the question referred to by the member for Stuart. I have some other statements on other problems with which I will deal later. It is surprising how many people Mr. Cox has seen and how many people have made inquiries but have then dropped the matter as the position has become clear. It is quite clearly a matter to be settled in a court of law; I dispute the assertion that the board should be asked to intervene in this dispute between these persons.

Mr. Riches—Do you know that the legal advisers advised them to go back to the board for a fixation of a margin and an order to supply?

The Hon. D. N. BROOKMAN—No doubt Mr. Cox would be delighted if the board would fix a margin for him. That would be a great help to him but, as I said in reply to the honourable member a week ago, the board says that there are three types of people to be dealt with in this matter of supplying milk—four if the consumers are included. The board deals with producers, with licensed treatment plants and with retail vendors who pass the milk on to the public However, the board does not provide for semi-wholesalers, as Mr. Cox would claim to be. This question of wholesalers and semi-wholesalers is inexplicably mixed up by many people. The member for Stuart insisted on saying several times that during the operations of the board the number of wholesalers had been reduced from 16 to three, but I can only assume that he does not really mean that at all, and is referring to semi-wholesalers, such as Mr. Cox would claim to be.

The board is not willing to allow for an extra middleman in the milk marketing scheme,

and I cannot see why the Opposition desires it. It had its opportunity to discuss this matter in 1946 when the Bill was before the House, but it did not do so, and to my knowledge it has never raised this question until last year when a semi-wholesaler's case was discussed in this House. Since then the Opposition has appeared to insist that another middleman be provided for in the milk marketing structure. I do not know why they want that, and the only reason I can think of is the very persuasive action of Mr. Cox himself in telling the member for Stuart that he had a good case. The honourable member made very heavy charges, some not very nice, against the board, and although he said he would substantiate them he did not do so. I have here the details of the number of treatment plants licensed in the metropolitan area to deal with the metropolitan milk supply. Those plants number seven and there is no question of their having been reduced from 16 to three.

Mr. Shannon—There has actually been an increase during that period, not a decrease.

The Hon. D. N. BROOKMAN—Yes. Those treatment plants have to get their milk—

Mr. Riches—I was not speaking of treatment plants.

The Hon. D. N. BROOKMAN—The member for Stuart made that statement about wholesalers several times. Mr. Cox, to whom he referred, is a semi-wholesaler, which is not a type of operator recognized by the board. That is the crux of the matter in the Cox case, and also with Read.

Mr. Dunstan—Who owns the treatment plants?

The Hon. D. N. BROOKMAN—Jacobs Dairy Produce Company, Jervois Co-operative Dairymen, United Co-operative Dairymen, Amscol, Farmers' Union, Myponga Co-operative Dairymen, and Harrison Bros. Another, a licensed plant, is more of a distributing company. I am not quite sure of its status, but I do not think it actually has treatment plants. It is called the Metropolitan Milk Co-operative, and I think is merely a distributing company for some of the others. The honourable member said that a committee of inquiry should consider this request for an increase in the price of milk for producers. No doubt a committee of inquiry could investigate it, but I think that, if Parliament sets up a Metropolitan Milk Board to do it, it should be left to the board. The honourable member charges the board with not allowing producers enough money for their milk. He just tosses into the ring an argument that a committee could investigate the price paid to producers.

Mr. Jenkins—What is the producers' attitude to the Milk Board?

The Hon. D. N. BROOKMAN—The producers' attitude is one of strongest support.

Mr. Riches—I think I mentioned that fact.

The Hon. D. N. BROOKMAN—Yes, the honourable member admitted that most producers were behind the board, but that would be an understatement, as producers are almost 100 per cent in favour of the Milk Board. I have that on the authority of their own organization, although occasionally they have complaints against the board. They may ask the board for higher prices or different treatment, and certainly they come to see me about it, but their general attitude towards the board is one of the strongest support. I remember that about 10 or 11 years ago the board was insisting that certain standards be raised by the producers, and there was much adverse comment at the time. I was invited, as I always have been since—and I think every member of this House would be, too—to take up any problem with the chairman of the board, and often, through my own district, I took up the problems of producers when pressure was being applied by the board for producers to alter their conditions in some way or other. In every case I took up there was some satisfactory conclusion, and the producer eventually agreed that what was wanted was just and that the board was acting sensibly and tolerantly.

The board did not insist on the impossible being done by a small dairy farmer short of money, but was understanding in its attitude towards the farmer. I believe that is to a large extent to the personal credit of the chairman of the Milk Board (Mr. Gale). Mr. Gale is not here at present. He has gone overseas for a few months, but the Milk Board has been carrying on with an acting chairman, and many questions raised by the honourable member—in fact, I think all of them—were in some way under Mr. Gale's scrutiny prior to his departure, and certainly he would not disagree with the board in its attitude toward these problems. He has been overseas at a conference sponsored by the Commonwealth Government, and at the same time he will examine on the other side of the world much development which may operate in South Australia at a later date.

The request for a price increase that the suggested committee is supposed to examine

would surely be better left to the Milk Board, as Parliament intended. Some time back the board decided to conduct a survey of what milk was costing the producer, and it encouraged some licensed producers to submit their figures so that the board could examine them and arrive at a fair conclusion. These returns came in over a period, but gradually became fewer and fewer and were not being sent by all producers until a stage was reached where the figures were of little value. The Milk Board then instituted a new system based on a questionnaire which had to be compiled by the producers concerned. It has been the special duty of one member of the board—an accountant—to study the method of obtaining these figures. Those figures, which are due to be available about next February, will show the result of a year's operations. Until then the board cannot make a general price increase based on the cost of production. The board was approached some time ago by the South Australian Dairymen's Association for a price increase, and the position was explained to it. Having received that answer, the association came to me and said, "We are having a particularly dry season. Conditions are bad, and in view of the drought conditions prevailing, could the board consider the evidence of our difficulties and perhaps give us an interim price increase to tide us over while waiting for the review some time after February, 1960?" I then got in touch with the board, which agreed to consider that evidence. It also collected information from other interests in the trade, which I understand are also seeking a price increase.

The board consists of people that are not connected with the milk trade. Strictly speaking, if they represent anybody directly they represent the consumers, and they also have to look at the consumers' side of the picture. That is what the board is doing at present. I maintain that it is better for this House to leave it to an organization with experience, specially set up by an Act of Parliament to fix milk prices. The honourable member mentioned the licensing of producers. Most producers realize that to obtain a licence they must have the proper conditions for producing milk. The comment of the Milk Board concerning the licensing of producers is as follows:—

At present the milk production area embraces an area of approximately 60 miles square and includes the whole of the River Murray irrigation settlement between Mannum and Wellington. To ensure sufficient milk for the metropolis the suppliers of Jervois Co-operative Factory were licensed in 1953, but since then no new districts have been brought under the control of the board. However, negotiations have been made with producers in the Meningie-Narrung district with the object of licensing them as soon as it appears likely that the present city milk production area will not be able to meet the city's requirements. The board's policy concerning the licensing of producers within the present production area has remained unaltered for some years. Any producers applying for a licence within this area are accepted provided they have premises and equipment which comply with the board's requirements. When the producer has substandard premises or no premises at all he is informed that a licence will be granted as soon as satisfactory premises have been provided.

I can see nothing that one could quarrel with in that statement and I do not believe there is any real unrest about the licensing of producers. Conditions in the metropolitan producing area have been stabilized over the years by the reasonable attitude of the board to this problem. The honourable member made some insinuations and comments against the board in respect of the question of zoning of retailed deliveries. I have a statement from the board about the zoning of retail vendors which I will read to show members that there is nothing sinister about this. It is as follows:—

There is no "bogey" either in the zoning set-up or in regard to caretaker agreements. It can be stated that the board neither delegates its authority to the association nor does the association dictate to the board, but the board does consider recommendations made by the association which represents approximately two-thirds of the vendors licensed by the board. Much of the success of the scheme, and the mutual benefits which have resulted to both vendors and consumers, can be attributed to the assistance and co-operation received from the members of the association.

Mr. Riches—You know that the board is mentioned in the agreements that are signed.

The Hon. D. N. BROOKMAN—I suggest that the honourable member had a pretty good go and made many statements.

Mr. Riches—I do not want to embarrass you: forget about it.

The Hon. D. N. BROOKMAN—The honourable member is using a somewhat cheap device. I started to read a statement from the board, but before I got very far I was interrupted by the honourable member's making some comment about the board being mentioned in the agreements. When I stopped reading he said he did not want to embarrass me and told me to proceed. What he really—

Mr. Dunstan—What nonsense! You were commenting on the board's statement.

The Hon. D. N. BROOKMAN—The honourable member claimed he did not want to embarrass me, but the House knows that he was using a somewhat cheap device to interrupt the statement I was reading to imply that I could not answer him.

Mr. Frank Walsh—Get on with it.

The Hon. D. N. BROOKMAN—It is rather interesting to hear rather opposite statements from members opposite. The member for Edwardstown wants me to get on with it; the member for Stuart does not want to embarrass me; and the member for Norwood is trying to tell me that I am not reading a statement at all. If the member for Stuart will contain himself—and I know he does not want to embarrass me—I will continue to read the statement:—

Complaints have been made by individual vendors, many because of grudges and feuds which have been going on for years. Certain statements made by one or two vendors who have recently commenced operation in the Modbury-Tea Tree Gully area at the expense of vendors who have spent time and money establishing their business over a sparsely settled area can be proved to be deliberate untruths. The Modbury-Tea Tree Gully areas were included in the metropolitan area for the purpose of the Act on the 10th September of this year. Four main zones have already been defined and a survey is being carried out to decide how these zones can be further divided.

The board has been informed that irresponsible statements have been made by vendors in the northern area as to how the Tea Tree Gully area will be zoned but it has been assured by the M.R.M.V. Association that any such statements have been issued without its knowledge or authority. There have been discussions with the Master Retail Milk Vendors' Association as to how zones in the areas should be allocated and a suggestion has been made that the board should set aside portion of the area for the establishment of caretaker zones for the benefit of vendors in built-up sections of the metropolitan area which contain no "new business" areas and where rounds are depreciating. No decision on policy as to the allotment of licences in this area has yet been made, but proposals from the association will be given consideration when the present investigations being carried out by the board have been completed.

In the meantime established vendors in the area will be fully protected. Regulations to give effect to the amendment to the Act which was passed on November 24, 1955, were gazetted on February 28, 1957. The essentials of the legislation were (1) that the board should divide the metropolitan area into zones; (2) that no vendor should serve in a zone without a licence from the board; (3) that consumers in any zone should as far as possible have the choice of at least three vendors.

In order to put the scheme working with the least possible delay it was decided to divide the areas into large zones. Within these zones the vendors under the direction of the association agreed to divide themselves into groups of three or more so that the consumer being served by one vendor in a group could have the choice of the other vendors in the group. Judging from the lack of consumer complaints the scheme has worked well. Naturally there have been complaints from greedy and selfish vendors, some of whom refuse to recognize the voluntary groups. An officer was appointed by the board on July 13, 1959, for the express purpose of assisting vendors to consolidate their rounds into compact areas and to make suggestions for the subdivision of the existing large zones. The smaller zones will become a necessity should the present voluntary arrangement break down. The whole of the allotment zoning programme was carried out strictly in accordance with regulation 13.

Vendors who were carrying on a retail business prior to November 24, 1955, were granted licences without restriction as were vendors who purchased or leased rounds of 50 gallons or more since that date. In carrying out the scheme all vendors were treated alike and there was no discrimination between members and non-members of the association. No payments were made by vendors to the association. All objections raised by disgruntled vendors were investigated.

Following the introduction of the scheme outlined above the association approached the board in regard to the creation of "caretaker" zones. These are areas in the main zones which are either not subdivided or sparsely settled. Under the proposition put forward, a submission is made by the association that one or more of these areas be made into a "caretaker" zone. All licensees in the main zone are invited to a meeting at which a vendor is nominated to work the area in such a way as to ensure that the business is equitably distributed, and to prevent disputes and "scrapping" for the new business.

The nominated vendor enters into a voluntary agreement with the association as trustee for all the vendors in the zone. The terms of the agreement vary according to the size of the zone and the rate at which it is expected to develop. The nominee is usually allowed to build up a certain gallonage free, and at the end of a specified period he is required to pay a specified price per gallon to the trustees for the additional gallonage that he may take over. The moneys paid in this way are subsequently divided between the owners of rounds in the zone. In the absence of objections from vendors operating in the zone, it has been the practice of the board to grant licences to the vendors who are nominated in this way.

The erection of these "caretaker" zones, most of which are for fairly short duration, enable less fortunate vendors who are losing business in built up areas to receive some compensation. There are 20 caretaker agreements operating, most for less than 12 months. There have already been two distributions. When one of these zones becomes built up it is reincorporated in the main zone. An assurance has been given to the board that the

executive committee of the association will carry out the trusteeship itself to ensure that the moneys are properly distributed.

The agreement provides that the moneys are to be held in trust for vendors in the zone, to be disposed of in accordance with their wishes. The caretaker vendor shares in the distribution. Probably some vendors feel that they can do better for themselves if the agreements are upset, but if this does happen, it is likely that a few vendors will benefit at the expense of the majority. It is contended that although zoning has been effective for a little more than 12 months, it is working satisfactorily to the mutual benefit of the consuming public and the vendors as a whole.

To my knowledge there have been no instances of difficulty, apart from the rumours the member for Stuart mentioned and one case where a retail vendor came to me and told me of some difficulty he was having with his round. I referred him to the board, which dealt expeditiously with the matter, and he came back and thanked me for having the matter fixed up. The member for Stuart questioned the increase in the board's accumulated funds and read a statement from the Auditor-General's report which was a criticism of the board's steep increase in its accumulated fund. I asked the board what the story was and it was astonished to find out that the Auditor-General was interested in it. It had not offered any explanation of the increase nor had it been asked to explain it.

Mr. Bywaters—Is that a criticism of the Auditor-General?

The Hon. D. N. BROOKMAN—Don't be ridiculous! The member for Murray is playing the goat, I am afraid. The board has not the slightest intention of criticizing the Auditor-General. It explained that it had made no special comment about this increase and when it found out about the criticism it explained the increase to me. The explanation is not so sinister. It is that the board is paying a high rent for its premises. It badly needs its own premises. It has some offices in King William Street in a building where it cannot have laboratories, and in another place it has laboratories but can have no offices; consequently, it has two places for which is pays £2,200 in rent. It wants to build up reserves in order to get its own premises later. The Auditor-General did not have that explained to him but if it had been I know what he would have said. I made some inquiries, but not of Mr. Bishop. I think he would still have criticized the board for accumulating reserves too steeply and said that the board had been too fast in accumulating funds and making producers pay for premises which the board will have later for a long time. It is a criticism, but only a small one. It is common practice for business organizations to build up reserves of money to be spent on works of a capital nature.

Mr. Bywaters—The producers believe that the reserves were being built up for advertising purposes.

The Hon. D. N. BROOKMAN—I am setting out the position. In some cases the building up of reserves may be justified but not in others. In this case the Auditor-General made a criticism and it has been accepted as sound. The board would not attempt to argue with him. If there is any doubt about the method of dealing with the matter I ask members to remember that the Snowy River scheme is being dealt with in this way. People of this generation are paying for the scheme: it will not be paid for by people of the next generation. That applies in many instances of capital work done by Governments. Although it may have been sound criticism by the Auditor-General, it is a trivial matter to raise in support of an inquiry. Later the board will be able to satisfy itself in the matter of premises and be able to carry on better than at present.

Mr. Bywaters mentioned advertising. Much interest is taken in the advertising of milk and the time will come when more advertising will be justified, and when that time does come an amendment to the legislation will be necessary. It is doubtful whether the board has power at present to go in for this advertising. It is useless to undertake an advertising campaign without an assured supply of milk at the time it is needed. With our Mediterranean climate we have large fluctuations in production. There are seasons when the production in the city milk area is little above the quantity required for distribution as whole milk. At such times, if we had a big advertising campaign, there would be a shortage of milk. There is talk of going into the matter of seasonal variations in the supply of milk. In due course I feel that something will come of it and that we shall be able eventually to undertake the advertising of whole milk in a big way. The matter is under the careful scrutiny of the board and other people. The other day I had a discussion with a man about the advertising of milk and he gave me some good ideas.

There is no justification for a committee of inquiry to deal with this subject. The board appointed by Parliament is an expert body and should deal with these matters. Why

should Parliament have to handle the problem when it would have to get the details from the board? The board knows the position and I believe it will bring forward the correct answers. The matter of carton milk was mentioned. Carton milk is not being used in the metropolitan area but in other parts of the State. The cost of producing it must be carefully considered and the interests of the consumers must not be overlooked. Some time ago I had a deputation from the Housewives' Association, led by Mrs. Scott and several other ladies of the executive. Several matters were mentioned and they stated categorically that they did not want carton milk. This is a problem that the Milk Board is ideally suited to handle in its own time and in its own way. Eventually it could make a recommendation on the matter. At present the chairman of the board is overseas and when he returns no doubt he will have interesting new information about carton milk. The matter should now be left with the board and there is no justification for a committee of inquiry to deal with it.

I believe that the constitution of a committee of inquiry as suggested by Mr. Riches would be a rebuke to the members of the board. He said that statements by the board were dishonest. I have not dealt with that matter specifically but the questions he asked were answered by the Milk Board in a clear and exact way and I cannot see why the board should be accused of dishonesty and evasion. If he is not satisfied he should frame other questions. It is not fair to accuse people of dishonesty and evasion simply because of not getting the answers he wanted. He said that the board was dishonest and that he would substantiate that remark, but he did not do so. I think that is going too far. If he wants further information he will get the right answers if he asks the right questions. Probably he got information in the answers different from what he thought he had asked for.

Mr. Riches—Is that the only answer you have to what was said in the questions?

The Hon. D. N. BROOKMAN—I am trying to understand what the honourable member meant when he said that the board was dishonest in its answers.

Mr. Riches—I went through the questions and answers and showed where the board had given wrong answers—untruthful answers. Surely you have a reply to that.

The Hon. D. N. BROOKMAN—The honourable member asked 20 questions. In the debate last week I asked him whether he was accusing the board of dishonesty and he said "Yes, in some of its replies." One question he asked was, "Is Mr. Cox the holder of a wholesale milk delivery licence?" and the board replied "The Milk Board does not issue wholesale milk delivery licences." If the honourable member claims that that is a dishonest reply he should understand clearly that the board stands by the statement. It is accurate in what it says: it does not issue wholesale milk delivery licences. Mr. Riches also said that the board knew that Mr. Cox had been operating as a wholesale milk delivery man for the last 30 odd years. The board was also asked by Mr. Riches, "Has Mr. Cox applied to the Metropolitan Milk Board for an order on the South Australian Farmers Union to grant him a supply?" and the answer was "Yes." Is there anything dishonest about that? The board is emphatic that the answers it gave were honest. It is all very well to say that the board is dishonest but a difficult matter to prove. The honourable member set out to do that, but he did not succeed. I cannot see anything wrong with the answers.

Mr. Riches asked the questions and got the answers. I could go through all the replies to the questions but there would be no point in doing so. If the honourable member is not satisfied with the answers the board is willing to answer further questions. In fact, it invites people to go to the board with their problems. Often the people who criticize the board keep away from it. There is the invitation for people to interview the board about their problems.

Mr. Riches—Do you say the board was honest in saying what it did about the wholesalers? Do you think it was honest in saying that it had not had applications when we had received them?

The Hon. D. N. BROOKMAN—Yes.

Mr. Riches—Well, I do not.

The Hon. D. N. BROOKMAN—The honourable member asked 20 questions on notice and received 20 answers, 19 of which the board gave.

Mr. Riches—Look at No. 17.

The Hon. D. N. BROOKMAN—Question No. 17 was:—

Has an application been made to the board to fix a price for services rendered by wholesale dairymen?

The reply was:—

Yes—but no details were given of the "wholesale deliverymen" on whose behalf the request was made.

There is nothing wrong with that answer; the board has stated categorically that no details were given. The words "wholesale deliverymen" are in inverted commas, and I cannot see what the honourable member is driving at. Is he suggesting that the answer is a flat lie?

Mr. Riches—I am suggesting that the board knew who the men were.

The Hon. D. N. BROOKMAN—The Milk Board said that no details were given of the wholesale deliverymen on whose behalf the request was made. I think the honourable member phrased his questions in such a way that they produced answers he did not expect. When he did not get the answers he expected he accused the board of lying, whereas he should have framed his questions in a better way.

Mr. Dunstan—How do you suggest that question could have been framed to get a clearer answer?

The Hon. D. N. BROOKMAN—I do not think for one moment that he did not get a clear answer, and the board stands by that statement. Judging from the answers to other questions, the honourable member must have made the board confused by the way he asked the questions.

Mr. Dunstan—How could there be any confusion?

The Hon. D. N. BROOKMAN—Question 13 was:—

Have other treatment plants similarly been refused supply by arrangement?

The answer to this question was:—

Question not understood. Treatment plants obtain their supplies direct from producers.

Question 14 was:—

Has the Milk Board considered issuing an order to supply?

The reply to this question was:—

If the order is the one referred to in question 3—Yes.

From those answers it can be seen that the honourable member got his questions into such a confused state that the board could not answer one and had to qualify another. If he has a specific question, I invite him to put it on notice and he will get an answer, but I dispute any suggestion that the board lies. That is a grave indictment that should never have been made. The honourable member started off in a moderate fashion and finished by calling the board names. This should not have been done, and I suggest that the honourable member should examine the questions and ask new ones if he wants, giving the correct titles, and not confuse wholesalers and semi-wholesalers again. He should use the terminology of the milk trade for the various people engaged in it. His lack of understanding of the answers is due to his bad definitions.

The honourable member dealt with questions about which I have spoken at length, and in summarizing I say that the request for the price increase to producers is not a matter to be submitted to a committee, but is a matter for an expert body. The licensing of producers is being handled satisfactorily by the Milk Board at present, and no evidence has been produced to contradict that. The matter of the increase in accumulated funds has been dealt with very clearly; the point in the Auditor-General's report has been commented upon, and I have stated exactly what the story about that is. It certainly does not constitute a complaint worth referring to a committee of inquiry. The matter of the semi-wholesalers, which the honourable member insisted on mixing up—Cox and Read, particularly the latter—is one that should go to law, as this House should not be used to fight cases on behalf of people that are not prepared to go to law. The zoning of retail deliveries has been dealt with at length. In short, the policy of the board all along has been to give producers fair prices for their milk, and it is examining those prices at present. Its policy has been to supply the metropolitan area with a good supply of clean milk, and that is what it is doing. In doing that it has recognized certain people: producers, wholesalers, retail vendors and consumers. It has not considered that additional middlemen in the form of semi-wholesalers are warranted.

The honourable member referred to semi-wholesalers in various ways, calling them wholesale delivery men and other terms. The Milk Board is a small body of men devoted to their work who have been perfectly honest and open, and happy to discuss problems with anyone, and I refute any accusation of dishonesty. The board clearly answered his questions and, if he wants to dispute the truth of the replies, and looks at the way the questions were framed, he will probably get better replies next time he asks questions. I say this because he was not prepared to use the correct titles of wholesalers, semi-wholesalers and retail vendors, but used terms of his own. A committee of inquiry would be a serious setback to a board about which absolutely nothing in the way of complaint is proved other than the small criticism made by the Auditor-General. The only effect of

the honourable member's speech is to say, "Well, there are a lot of rumours going round. Let us have a committee of inquiry to clean them up." I suggest that members do not accept the motion.

Mr. DUNSTAN (Norwood)—During his speech the Minister said there was nothing wrong with the Milk Board's administration and that the board had been perfectly clear and truthful in its public statements and its statements to this House. He carefully did not answer the careful analysis made by the member for Stuart (Mr. Riches) of the board's replies, a number of which were clearly untrue. The board must have known they were untrue and, in every instance given by the honourable member in his speech, it was either untruthful or evasive. Why, if it had nothing to hide in its administration, should it deal with Parliament in this way, and why should we, as members of Parliament, be satisfied with what it is doing if it chooses to represent its actions to us in this manner? It does not stop there, however: this afternoon the Minister read an untrue statement from the board concerning the two men Cox and Read. As the board has said that it has taken legal advice on the matter, it must have known it was untruthful. The Minister has said—and I am sure he will correct me if I am misquoting him—that the board's statement was that Cox and Read were themselves to blame for their loose arrangements with the wholesalers and that if they had made proper legal agreements they would be in a position to enforce those agreements at law, and there was no reason why they should not have protected themselves in that way.

The Hon. D. N. Brookman—Why doesn't Cox look after himself?

Mr. DUNSTAN—I should be pleased if the Minister would answer my question or let me make my statement. I invite him to say that that quotation is not correct; I understood that was what he was putting. If that is the position, the board knows that that statement is untrue. Let me turn first to the position of the man Read, which I outlined in detail to the House last year. This man had a perfectly valid, legal and binding contract with the Myponga Society—a contract for a period of years for the supply to him at a certain margin. I have seen the agreement; it was in writing, it was constituted by correspondence and it was for a definite term. It was an agreement for which specific enforcement could have been obtained at law but for the action of the board itself. However, under section 42 of the Act the Board then proceeded to fix a price; having fixed a price, it abrogated the legal standing of the agreement which Read had, and this meant that Read could not go to law specifically to enforce his contract because of the action of the board itself. The contract was no longer legally binding because of the action of the board.

When I brought this matter up in the House the Minister replied to me, and his reply was not that what I said was incorrect—because it was correct—but that members had not protested when section 42 was passed and therefore there could be no objection to what the board had done. It is less than 12 months since this matter was before the House, and it is all here in detail. The Minister heard it, and the board knows what was said on that occasion and the evidence that was produced.

The Hon. D. N. Brookman—No order of the board could get Read back his vendors.

Mr. DUNSTAN—That has nothing to do with my present contention. Read could not enforce against the Myponga society the contract under which it was to supply him at a certain price when the board fixed a different price, which under the Act is not only the maximum price but the minimum price. That abrogated Read's agreement. In other words, the board took away the legal right that man had to enforce his contract, and the Minister now says that the board maintains that Read is to blame for his "loose" legal arrangements, and that he could have gone to law to enforce them. Nothing could be more dishonest than that sort of thing.

The Hon. D. N. Brookman—It was talking about both Cox and Read.

Mr. DUNSTAN—I will come to Cox in a moment, but let me deal with Read first. Those are the arrangements, and nobody can say that is an honest statement from the board, for it is dishonest and untruthful.

Mr. Jenkins—Should the board's policy be dictated by private contractors?

Mr. DUNSTAN—Why should a man's legal rights have been taken away in this manner when he was, in fact, rendering a service? The Minister admits that companies, through certain co-operatives, give that service to the retailers under the metropolitan milk distribution arrangement. The companies, through their subsidiaries, are themselves supplying these refrigeration plants and the service in certain circumstances. Why should Read, when his business depends on that very service to the vendors, be cut out and the

wholesaler take that margin, previously Read's by legal agreement, without giving a service to the vendor? That is what happened, and the board was the body which provided that it should happen. There in the first place is a ground for an inquiry by this House into what is happening under the administration of the Milk Board. Let me turn for a moment to the question of Cox's agreement. The Minister says there was no agreement with Schofield & Sons.

The Hon. D. N. Brookman—I said I had not seen one, and if there were one it is rather surprising that it had not been shown to me.

Mr. DUNSTAN—I would not suggest for one moment that the directors of the Farmers Union are not very keen business men for their company. If there were no agreement between Schofield & Sons and Cox, why did the Farmers Union offer a margin of §d. to Mr. Cox? Why did they go on supplying under the previous arrangement if there were no legal and binding agreement?

The Hon. D. N. Brookman—You ask the question, and you suspect there must be an agreement because they went on supplying. Wouldn't it be better to settle the thing by showing us the agreement?

Mr. DUNSTAN—I understand it has been produced, but I have not seen it.

Mr. Shannon—Nor has my company.

Mr. DUNSTAN—It has been undertaken that the agreement will be produced. I have not seen that agreement, although I have seen some other correspondence. As the member for Stuart pointed out, while Mr. Cox had seen me twice the matter of Mr. Cox's representations was passed over to the rural committee of the Labor Party, which then investigated it in detail.

Mr. Shannon—When the honourable member produces the agreement I would like to see who signed it. Do you know who signed it?

Mr. DUNSTAN—I cannot conceive that the Farmers Union did not find that there was something binding upon them, and that they went along and said, "Well, out of the goodness of our hearts we will offer five-eighths of a penny a gallon to Cox." I do not believe the Farmers Union acts like that. I have been assured by the member for Stuart that he has seen the agreement and will produce it to any member interested. We cannot at this stage produce exhibits in this House, but the matter can be very quickly resolved. The evidence is that the Farmers Union has proceeded to act under a legal and binding agreement upon them as assignees, and that is evidence to me that there was something there.

The Minister went on to say that Mr. Cox had seen many people and that they had turned him down. I do not know of anybody, except perhaps the Milk Board and the Minister, who can come into that category. I know of members on the Government side of the House whom Mr. Cox had seen and who have simply written back to him, not saying, "You have no case at all" but, "We have gone as far as we can with the Milk Board and can get nowhere with it." That is what the member for Mitcham and Sir Frank Perry said. Cox came to see me and was passed on to the rural committee of my Party. The Opposition has not turned him down, nor am I aware that any private member on either side of this House whom Mr. Cox has seen has said he has no case. It is therefore not true that members have turned him down and that he was disregarded. Mr. Cox has had the right of every citizen in this State to go to members who will take up what appears to be an injustice, and that is a right the exercise of which I should think members would applaud rather than deplore.

The Hon. D. N. Brookman—Can you tell me why he does not go to law?

Mr. DUNSTAN—I understand that he has been advised that the proper procedure is for the board to make an order for supply. I have not advised Mr. Cox on the law, but I understand he has had advice from Mr. Pickering and Mr. Travers and that was the advice they gave him, and that is why he has taken the action he has done.

Mr. Heaslip—If there is a legal agreement, hasn't he an action against the board?

Mr. DUNSTAN—He cannot force the board to make an order for supply.

Mr. Heaslip—Wouldn't it be better to let him go to law?

Mr. DUNSTAN—I do not know whether he has any legal redress or not as things stand, because I am not in a position to advise legally on that score. I certainly know that Read had legal redress.

The Hon. D. N. Brookman—Wouldn't you agree that if he had a signed agreement he would have legal redress?

Mr. DUNSTAN—That depends upon the terms of the agreement, the extent to which it bound the assignees, and whether the action of the board in fixing prices abrogated it. I am not in a position, without examining the documents in detail, to give an opinion offhand as to whether he has a case at law at the

moment. I know that Read had a case until the board fixed a price. The Minister has asked why it is that members on this side want to introduce another middle man into the business, but the Minister himself has replied to this, and the member for Stuart also explained it in the statement he read. Vendors on many occasions had found it a service to have a refrigeration depot, and a service of this kind is now rendered by what the Minister himself called a subsidiary of some of the treatment works.

The Hon. D. N. Brookman—The vendor preferred to pick up the milk himself.

Mr. DUNSTAN—That is in dispute. There is no doubt that in the case of Cox the vendors signed statements and forwarded them to the board, but the board failed to reveal fully what happened thereafter in relation to those people who had signed statements.

Mr. Riches—Read has a refrigeration depot.

The Hon. D. N. Brookman—The retail vendor preferred to go to the depot rather than use Read's depot.

Mr. DUNSTAN—I have seen signed statements from the vendors concerned, saying that they wanted to use Read's depot, so I do not know the basis of the Minister's charge. Undoubtedly this is a service, and the Minister should not try to get us off the principle in this matter. He asked why there should be another middleman in the business. The answer is that, without increasing the price to the consumer, there is a case for refrigeration depots, and for a margin to be given to the people who support those refrigeration depots, and their previous margin should not be cut out by companies who then choose not to give that service for which the margins were originally charged. What is happening is that the semi-wholesalers are being squeezed out, and the wholesaler is then taking all the margin without supplying all the service that was previously supplied in some instances.

The Hon. D. N. Brookman—Many of the retail vendors don't want the depot services at all.

Mr. DUNSTAN—From the signed statements I have seen, it seems that many want it, and, if they do, why should it not be provided, and why should not the margin be provided for it? The margin allowed the wholesaler to carry on, and I am not aware that the wholesalers are in enormous difficulties about finance. The Minister was concerned with the question of retail milk vendors and the licences granted for new areas. He said irresponsible statements had been made about the Modbury-Teatree Gully area.

The Hon. D. N. Brookman—I quoted a statement from the board on that.

Mr. DUNSTAN—I apologize: the board said it. The member for Stuart did not say anything about the Modbury-Tea Tree Gully area in introducing the motion. Obviously if the board suddenly refers to a situation in the Modbury-Tea Tree Gully area it must be aware that there is unrest about what is happening in that area. There is an old adage in the English law—*Quis capit ille facit*—of which the easiest English translation would be "Whoever takes it to be so, makes it so," or "Whoever says that the allegation is of this kind admits that there is an allegation of this kind." It is obvious that the board has been aware of considerable dissatisfaction with the arrangements being made in that area, because it has promptly referred to that area when, in fact, the member for Stuart did not say anything about it.

The Hon. D. N. Brookman—It has been referred to before, but not by the member for Stuart.

Mr. Shannon—I think this is an attempt to blacken the board's name. There have been many attacks on this board from many quarters.

Mr. DUNSTAN—I have said for some time that I am unhappy about this board and the statement the Minister read from the board this afternoon does not make me any happier. If the member for Onkaparinga suggests that this is blackening the board's name I would say that it was pretty murky after what has come forth.

Mr. Jenkins—It has a difficult job.

Mr. DUNSTAN—I did not say it did not have. I have never been happy with the legislation since it was introduced. Members on this side said what would happen under this legislation and it is clear that from time to time it has happened. It is obvious that in these circumstances the Minister cannot talk about it not being the board's responsibility to intervene in the actions of private people. This is an area of enterprise which the legislation was designed to treat on the basis that it restricted competition within the industry. It grants licences to certain people and only those people may do the things provided for under the licences. Only certain people may supply. The vendors must get their supplies from certain people whose licences have been

granted under the Act. Under those circumstances there is not free competition. One man cannot change his supplier from one place to another, nor can one go freely into this industry. In these circumstances it is the board's duty to go into the private relationships between people in the industry because that is the very basis of the legislation. The board is there to see that this industry is fairly and properly administered.

The Hon. G. G. Pearson—There is nothing to prevent anybody from applying to the board for a licence either as a vendor or as a wholesaler.

Mr. Riches—You were not here when the Minister gave the board's statement this afternoon.

Mr. Shannon—Anyone who wants to put up a treatment plant with his own money and applies to the board for a licence can get it.

Mr. DUNSTAN—That is a remarkable statement.

Mr. Shannon—It is a fact, because we have had some so licensed in the last few years.

Mr. DUNSTAN—Where will a man get his supplies from?

Mr. Shannon—That is the point.

Mr. DUNSTAN—Obviously the supply area is restricted. The honourable member knows perfectly well that the existing treatment plants have the existing suppliers tied up. How can a man get into the industry simply by putting up a treatment plant?

Mr. Hambour—The answer is that the cost of a treatment plant is about £70,000.

Mr. DUNSTAN—Where does a man get supplies from if he puts up a treatment plant costing £70,000?

Mr. Shannon—What happened at Myponga and Jervois? They got supplies by giving a service.

Mr. DUNSTAN—They went out and competed and got people with agreements.

Mr. Shannon—In October every year they are free to go where they like. The one exception is the United Dairymen's Association. No-one else has them tied up.

The Hon. D. N. Brookman—They can get out of sending their milk to the treatment plants they supply at present.

Mr. DUNSTAN—I am not suggesting that these agreements are for life.

The Hon. D. N. Brookman—They can change freely if they want.

Mr. Shannon—In October they have a free choice.

Mr. DUNSTAN—All right. If that is the honourable member's contention and a man sets up a treatment plant costing £70,000 does the honourable member suggest that he can freely get into this industry?

Mr. Shannon—Provided he has producer support. He must have that. If he hasn't, he is not wanted in the industry.

Mr. DUNSTAN—Quite so. The economic facts combined with the licensing position make it extremely difficult for him to get into the industry and the honourable member knows that is so.

Mr. Shannon—I have told you that some licences have been granted in the last 10 years for wholesalers.

The ACTING SPEAKER—Order! This is not a debating society.

Mr. DUNSTAN—I am happy to receive information from the honourable member on this subject. He is supplying me with the information I desire.

The Hon. D. N. Brookman—May I suggest that you should have got your information before you started your speech.

Mr. DUNSTAN—I have a certain amount of information about this industry, but I am interested to receive statements from the member for Onkaparinga who, of course, is personally involved in the industry.

Mr. Shannon—I do not deny it.

Mr. DUNSTAN—I appreciate the honourable member's courtesy in assisting me in this matter.

Mr. Shannon—You were making a few statements that were off the rails and I thought you should get back on the rails.

Mr. DUNSTAN—Thank you. Honourable members know perfectly well that this is a controlled industry that one cannot get easily and freely into and that because of the system of licensing an unfortunate situation could arise, so far as the public is concerned, if the controlling body did not attempt to enforce some competition in the industry.

The Hon. G. G. Pearson—Some hygiene and proper treatment too.

Mr. DUNSTAN—Agreed, but that does not mean that the other things should be forgotten.

The Hon. G. G. Pearson—If anybody wants to get into any industry he has to have the capital to establish, some people to supply him, and some people to sell to: that is all that is required in this case.

Mr. DUNSTAN—That is not all that is required in this case. One cannot easily get into this industry without capital and without

the support of the people involved. One cannot freely, for instance, transfer from one supplier to another. I do not hear any comment about that.

The Hon. G. G. Pearson—It has been answered three times already, since I have been here. The vendor can get his supply from wherever he likes.

Mr. DUNSTAN—That is completely untrue. I have known of vendors attempting to change their suppliers. Members might allege, for instance, that it is perfectly easy for an oil retailer to transfer from one wholesaler to another, yet they know that that cannot happen, and that there is an agreement between the wholesalers. Mr. Cox sought another supplier and at the outset the other supplier was prepared to negotiate with him until the supplier from whom he was getting his supplies said "No."

Mr. Lawn—The Minister's interjection proves the necessity for the carrying of this motion.

Mr. DUNSTAN—Exactly. Anybody who has anything to do with retail vendors knows that one cannot change easily from one supplier to another, and if he has a dispute with a supplier there is an agreement between the suppliers—

Mr. Jenkins—You did qualify that by saying "easily."

Mr. DUNSTAN—Assuredly. There are a few cases where it does happen because everybody agrees. I have known of retailers who are getting some supplies from one wholesaler and some from another and it has been inconvenient so they go to the board and make arrangements to try to consolidate their supply. In some instances it has taken a long time to do it, but it has happened. But, where there is a disagreement it is another matter. There is not freedom of competition in this industry and it is essential that the board sees that fair play does exist within the industry. That is one of the reasons why the board exists, but the board is not keeping fair play in this industry. It should not take the attitude, "Well, arrangements have been made between people and our orders have them abrogated, but of course that is a matter for private arrangement between the persons concerned and it cannot concern us if a supplier suddenly says to some wholesaler, 'We will stop your supplies tomorrow and you will not get supplies from anyone else'." If the board takes that attitude this House should inquire into the working of the legislation. This type of thing ought not to be allowed.

Mr. Shannon—The board has said that it does not licence semi-wholesalers.

Mr. DUNSTAN—I know it does not.

Mr. Shannon—Do you want them licensed?

Mr. DUNSTAN—Yes, I think it would be a good thing. My Party believes we should have a public inquiry to investigate the whole set-up because at the moment the whole situation is clearly unsatisfactory. We want a public inquiry to establish the position.

Mr. Shannon—Of semi-wholesalers? So long as I know what we are to debate.

Mr. DUNSTAN—I hope to hear the honourable member on this subject because he may give some more useful information. There can be no doubt that the board has been quite disingenuous in its attitude and that within the industry people have been treated unfairly. The board has either been responsible for this or it has refused to intervene to protect existing interests which call for protection in all fairness because of the services being rendered. It would appear that certain people are exercising an influence within this industry which is not either in the interests of most people concerned in the industry or of the consuming public. The Opposition is opposed to the existence of cartels or of restrictive retail trade associations. The Minister said that this board was appointed by Parliament. It was not! Legislation was enacted by this Parliament, but the board was appointed by the Government. If the Government appointed the board and it is not acting in the interests of the industry or the consuming public, we ought to examine the matter. We should not have to ask questions in Parliament and be fobbed off with untruthful and evasive answers. When that sort of thing takes place there is a case for the House to find out just what is going on.

Mr. BYWATERS secured the adjournment of the debate.

DIFFERENTIAL FUEL CHARGES.

Adjourned debate on the motion of Mr. O'Halloran:

That in the opinion of this House a Select Committee should be appointed to inquire into the effect on the community of differential charges for petrol and motor fuels, and to recommend any action deemed necessary or desirable to ensure a more equitable apportionment of distribution and other costs.

(Continued from October 14. Page 1064.)

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—On this matter I have received the following report from the Prices Commissioner:—

The question of freight differentials involves a much wider appreciation of the overall position than apparently thought. To give some indication of the ramifications, I shall firstly attempt to compare the position of freight differentials in the various States before answering the criticisms made locally. In all States prices for petroleum products are arrived at on the basis of costs, including distances from ocean terminals and other bulk depots. Each State is divided into zones and the demarcation lines of the zoned areas are affected by such factors as the position of railways and highways, types of transport used, topography of the country, etc. The first thing to ensure is that there is no over-recovery on freights, and if the community's interests are to be safeguarded it is necessary for State authorities to watch this aspect closely. Distribution of petroleum products to outlying areas is a costly business, particularly where the area is large and sparsely settled. The use of petroleum products to people in these areas is most important and the problem is invariably tackled first by ensuring that they are given every assistance by way of freights and that, if anything, in order to keep prices down the industry does not fully recover its distribution and freight costs in those areas, but recoups itself without over-recovery in the more thickly populated areas where the "subsidy" per user is practically negligible. By constantly watching the position and, on a number of occasions having refused to grant higher differential charges, the Prices Department in this State has ensured that the oil industry does not enjoy over-recovery by way of freight charges or distribution costs and is allowed to only break even on these charges. In two other States, the position is similar, but in three other States, where the position has obviously not been watched so closely, there is some over-recovery. Taking petrol as an example, the range of differentials outside free delivery areas allowed in each State commences as follows:—

South Australia and Queensland—
From ½d. per gallon upwards.
Other States—
From 1d. per gallon upwards.

In South Australia a surcharge of only ½d. per gallon commences on the outskirts of the Adelaide metropolitan area. In the other States, with the exception of Brisbane where the position is much the same as Adelaide, a surcharge of 1d. per gallon commences to operate outside the main metropolitan area of the capital cities.

In two States only, where petroleum products are transported by rail, contracts are entered into by the oil industry with the railways. The two States concerned are South Australia and Victoria and definite charges are laid down which are known as "contract rates." The rates in these two States are similar (S.A. slightly lower) and provide for no charge for return of empty drums or containers. In the remaining States, for petroleum products transported by rail there do not exist any contract rates, but only what are known as "schedule rates." These rates, incidentally, are higher than the contract rates, in addition to which a further charge is made for returns or empties. Petroleum products are, of course, transported in all States other than by rail on a basis of recognized freight charges, and where in any areas these products are being delivered by various means of transport the differential charges are arrived at by a method of average weighted costs. The largest proportion of petroleum products transported by rail in this State is done so under contract rates (*i.e.*, at a lower cost to the consumer). Where petroleum products are sold in any area in South Australia either all *ex* rail or as only a portion *ex* rail and the balance by road or sea transport, indications are that consumers here are paying differentials which compare more than favourably with other States. Let us now look at the areas within this State where there may be either some under or over-recovery. The areas where the oil industry does not recover its full freight costs are Kangaroo Island, the West Coast, the Upper North and portions of the Mid-North and the South-East. If the full freight charges were applied, particularly to Kangaroo Island, the West Coast and the Upper North, the position for consumers would be most difficult, and no fair-minded person would begrudge users in these areas the consideration which has been shown them. On the other hand, there is some over-recovery in the more densely populated areas, but this only offsets losses incurred in the other areas mentioned. For the purpose of arriving at freight differentials, South Australia is divided into a series of zones and even within these zones there may be some under-recovery and over-recovery of freights on a particular product at a particular locality. It has, however, been found that where such a position exists if the over-recovery is removed, resulting in a price reduction, it becomes necessary to allow under-recovery being incurred on other products in the same locality being recouped, resulting in price increases on these products. If this position is aimed at indiscriminately for any particular town in any particular zone, it creates anomalies in other directions, *i.e.*, price of petrol at a town only a few miles away finishes up 1d. per gallon lower or higher; on a useage basis, the price of, say, lighting or power kerosene finishes up possibly several pence per gallon higher or lower than the next nearest town. This added complication causes most difficult trading conditions and resentment among resellers creeps in as there is a switch of trade from one town to the next to buy at the lower prices.

I think these explanations clearly amplify the ramifications and difficulties involved in attempting to attain at any particular locality a price for any particular petroleum product without considering all the factors involved. In view of this it is obvious that distribution

costs and freight differentials must be applied with a good deal of commensense and fair-mindedness.

Let us now deal with the claims of the Leader of the Opposition and see what the actual position is. Claim 1:—

Port Adelaide and Portland are freight-free ports—why are not Port Pirie and Port Lincoln? Port Pirie is 2½d. a gallon higher and Port Lincoln 3d. a gallon higher.

Portland is not a freight-free port other than for petrol. Differentials there are as follows:—Gasoline, nil; lighting kerosene, 4½d. a gallon; power kerosene, 2½d. a gallon; distillate, 4½d. a gallon; fuel oil, 93s. 9d. a ton; and lubricating oil, 6d. a gallon. Neither Port Pirie nor Port Lincoln are single discharge ports for tankers. Both are known as multiple port discharge centres, *i.e.*, tankers unload only portions of their cargo and discharge the balance at Port Adelaide or elsewhere. The two-port discharge methods increase the cost at the smaller port and this is responsible for a portion of the increased differential. Other factors also enter the position. Only three companies have storage installations at Port Pirie and until this month only one at Port Lincoln. Other companies draw certain of their requirements from the companies with installations, for which some charge is made. All companies draw certain of their products from Adelaide. The entire West Coast is one area where the industry does not recover its freight differential costs. Any reduction at Port Lincoln would aggravate this position, or alternatively, cause steep increases in the northern section of the Peninsula. In 1952 the differential at Port Pirie for petrol was 3d. and at Port Lincoln 7d. a gallon. Bearing in mind that all freights and costs have increased since then, the fact that current differentials are Port Pirie, 2½d., and Port Lincoln, 3d. a gallon, would indicate that the position is anything but out of control.

Claim 2:—

Port Wakefield is 60 miles from Adelaide and the prices of petrol there are 3s. 7d. and 3s. 11d. for standard and super grades, respectively. Port Augusta is 60 miles from Port Pirie, but prices are 3s. 9½d. and 4s. 1½d. a gallon for standard and super grades. Why is it that these two centres both situated the same distance from the port where the fuel is landed should have a differential of 2½d. a gallon?

The approved maximum price for standard grade petrol at Port Augusta is 3s. 9d. a gallon, not 3s. 9½d. a gallon as stated. The differential, claimed to be over and above Port Wakefield, therefore only becomes 2d. Port Wakefield is approximately 60 miles from Adelaide and Port Augusta 204 by road. Somewhat similar distances are involved by rail and the fact remains that either by road or by rail Port Augusta is over three times the distance that Port Wakefield is from Adelaide. If all the petrol used in the Port Augusta area were transported either by rail or by road from Adelaide, the differential allowed above the Adelaide price would be more than 4d. a gallon. As petrol comes from Port Pirie to Port Augusta and is sold there at a differential of 4d. a gallon above Adelaide, or 2d. above the Port Wakefield price, the obvious conclusion is that petrol is transported to Port Augusta by the most efficient method possible and that there can be no cause for criticism against the price allowed.

Claim 3:—

The freight differential allowed on standard grade petrol at Mount Gambier is 4½d. a gallon, which is the cost of rail freight for petrol from Birkenhead to Mount Gambier. Little or no petrol comes from Birkenhead to Mount Gambier, but all comes from Portland. The freight from Portland does not exceed 2½d. a gallon and probably 2d. a gallon is sufficient to cover the cost.

The Prices Department has fixed the price of standard grade petrol at Mount Gambier at 4½d. a gallon higher than for Adelaide. Until recently approximately 40 per cent of petrol sold in Mount Gambier came from Birkenhead on which rail freight costs exceeded 6d. a gallon and not 4½d. as claimed. The two companies concerned which until recently each transported 100 per cent of their petrol requirements for Mount Gambier from Birkenhead have now decided to bring petrol instead from Portland. The resultant loss in revenue to the railways is about £30,000. Freight from Portland to Mount Gambier for petrol is higher than either 2½d. a gallon or probably 2d. a gallon intimated. Until recently it was not possible to effect any adjustments in the South-East. The changed position should enable some alteration to prices in the consumer's favour, and a survey nearing completion should result in an early announcement.

Claim 4:—

Petrol landed at Portland is brought to Mount Gambier and transferred to a tanker and sold at Naracoorte, a further 60 miles away, is sold at ½d. a gallon cheaper than it is at Mount Gambier.

Approximately 85 per cent of petrol sold at Naracoorte still comes from Birkenhead, for which freight costs exceed 4d. a gallon. One company brings its petrol requirements for Naracoorte from Portland by road tanker and the cost slightly exceeds the cost of transport from Birkenhead to Naracoorte. The differential allowed for standard grade petrol at Naracoorte is 4d. a gallon.

I might mention that South Australia has for some years now been the main investigating State for the oil industry, and all downward adjustments for petroleum products have been initiated by this State, although other States have also benefited. In addition, upward movements have on a number of occasions been resisted and refused by the Prices Commissioner, who is virtually acting as Prices Commissioner for the Commonwealth on petroleum products. Other State Governments where no price control exists have been only too happy not only to accept his decisions, but to use them and quote them to attempt to obtain the same favourable prices which this State enjoys and, in conjunction with Queensland are the lowest in the Commonwealth. In the last two and a half years, through the actions

of the Prices Branch, consumers in this State have been saved £2,865,000 by price reductions on petroleum products. The savings for the whole of the Commonwealth for this period amount to £27,461,000.

That sets out the methods by which the Prices Minister fixes the differentials in the country. I should like to emphasize two or three things. One is that not all companies give the same service in the country. I have been associated with the Prices Branch for some years and we have always had the position, which we cannot entirely overlook, that some companies have in their policy aimed at selling petrol in the metropolitan area where it is possible to get many consumers without very much in the way of transportation costs, whereas one or two other companies have set out very conscientiously to make petrol available wherever possible to the outside country. These companies obviously are always at a disadvantage in a very competitive market compared with those which have concentrated mainly upon the metropolitan area.

The industry has always required an industry price for petroleum products. If there were other than an industry price for these products, we would get into a hopeless and chaotic position. There must always be a certain averaging, because the landed costs of each company are not always identical. Some companies bring their petroleum products from further afield than others, thus involving much higher transportation costs. Others bring their products in their own tankers and have their own oil wells and distillation plants. Others buy from day to day on the international market. So, there is a fluctuation in the landed costs. What we have done over a period has been to take the international price of petrol as quoted each day and add to it the actual transportation costs, which are known.

Mr. Ralston—Does this State deal with importation costs?

The Hon. Sir THOMAS PLAYFORD—In this State the Prices Commissioner does, and he fixes a price for South Australia accordingly. As I have already pointed out, his decisions have been accepted by the other Australian States; and indeed when another State gets out of line with what is being done here the Government of that State immediately tells the oil industry that, if it does not come into line with South Australia, price control will be introduced. The other day in New South Wales when the price was increased the Premier said the Government would not allow it. The Victorian Premier has often said that if the price was out of line with that operating in South Australia he would have to take some action. We ascertain the average landed cost of the petrol and get the margins for distribution, sale and transportation to the country. As I have said, there has been a certain equalization regarding the country. If we required the country areas to stand the full cost the price in those areas would be very high. I do not deny that there has been a slight loading upon the consumer in Adelaide in order to meet some of the very high costs in some country areas. It is well emphasized by the Prices Commissioner's report that from time to time there is a change in circumstances regarding the delivery of petrol to country areas. The Commissioner said that until recently 40 per cent of the petrol consumed at Mount Gambier came from Port Adelaide, but the two companies concerned have now transferred to Portland. I do not know yet what this will involve, but there will be some adjustment in the price of petrol in that town. Conversely, in some instances the railways, which were providing the service, were dropped for road services which, in some instances, were more costly.

I suggest to the Leader that he does not press this matter to a vote. I do not believe that a Select Committee can achieve anything in this matter, which is already being dealt with by the Prices Commissioner and a trained staff as a public duty. I believe the Prices Commissioner is a sincere and earnest man who has a reliable and honest staff doing an honest job. The matter has been raised, the Leader's views have been placed before the Prices Department publicly, and I suggest to the Leader that it would be advisable not to press this motion to a vote. If a committee were appointed, it would be necessary for its members to study the documents. I do not in any way decry the ability of honourable members, but it would take their undivided attention for many months to catch up with the position at the moment. The history behind the fixation of the price of petrol, the documents and everything associated with the matter would, I suggest, take the most competent accountants a long time to study. The records compiled by the Prices Department were not produced overnight but have a wealth of investigation behind them, and any committee appointed by this House would find it virtually impossible in the time it would be

able to give to the problem to arrive at any conclusions that would be of any material value.

My second point is that we already have one authority doing this job and it seems to me to be anomalous that in those circumstances we should proceed to show, shall I say, our lack of confidence in him by saying that we will do it ourselves.

Mr. Riches—Has the Prices Commissioner any control over the landed prices at outports?

The Hon. Sir THOMAS PLAYFORD—Yes, I made some statements regarding the landed price at outports.

Mr. Ralston—What is the landed price today at Port Adelaide?

The Hon. Sir THOMAS PLAYFORD—I can get that for the honourable member, and also the landed price at Port Pirie and Port Lincoln.

Mr. Ralston—I can tell you the landed price at Port Adelaide and every outport in South Australia, as set by the Commonwealth Government.

The Hon. Sir THOMAS PLAYFORD—If the honourable member has all those facts, I am pleased that he is so diligent. He does not need a committee to know the facts of the case, as he has already established them. If members want to destroy the Prices Department, the way to do it is to start off by publicly expressing no confidence in it. The Government has been under much pressure not to continue price control and I have always felt, and still feel, that members opposite approve of the fact that we have an impartial tribunal investigating prices and trying to keep them fair to the consumer. If members feel that prices could be better fixed by a Select Committee of Parliament than by the Prices Department, although I do not agree with them, it is a matter for Parliament to decide. The Opposition having expressed views on this matter, if it wants the matter of differentials to be kept under observation, I suggest to the Leader that it would not be advisable to take a vote on this matter because that can only express either no confidence in the Prices Department—which I do not want to see expressed in this House—or a rejection of the motion. I will leave the matter there; I think some thought might be given to that aspect.

I have the duty of being Minister in charge of Prices; I have had a long association with Mr. Murphy and his officers, and I have the utmost confidence in them. I believe they do a fair job, that they are reasonable in their approach, and that they protect the public on many occasions from unwarranted charges. In many instances we have been told that if a certain article were released from price control competition would keep the price even finer than determined by the Prices Commissioner, but I have yet to see a case in which the price comes down after control is relinquished.

Mr. O'Halloran—That yarn belongs to the age of fairy tales.

The Hon. Sir THOMAS PLAYFORD—We have been given many assurances in writing that all we have to do to keep prices down is relinquish price control, but I have yet to see one case where, as the result of release from control, the consumer has benefited. If members want any matters or any districts investigated, I am sure that the Prices Commissioner will give them his urgent and best attention. I make one qualification that I want noted so as not to be misunderstood—that it is not possible, nor is it desirable, for the Prices Commissioner to fix a different price for petrol in an adjoining town merely because one town may be half a mile closer to a railway station than another. There would have been difficulty and commercial upset if, in my electorate, the Prices Commissioner had decided to fix different prices at Aldgate and Stirling. It would completely upset things. It is necessary to zone prices and zoning is done as fairly as possible. Honourable members will see the implications and the disturbances that could arise by creating artificial prices for one town as against another and they would not want that. I oppose the motion.

Mr. RALSTON (Mount Gambier)—I rise with enthusiasm to support this motion because it is in the interests of the people of this State. I do not, in the first place, think this motion in any way reflects on the ability of the Prices Commissioner. At no time is it suggested that he has not done a good job and I refute any implication by the Premier that we are trying to take from the Prices Commissioner any existing form of control or to institute in his place a Select Committee to deal with petrol prices throughout the State. Our desire is to have an inquiry and the principle of the inquiry is to see that people using petroleum goods receive price justice.

The Premier's main point was that costs incurred in the more sparsely populated areas were not fully recovered but that costs were over recovered in the more densely populated areas and that the average return to the petrol companies was not quite full recovery on the overall sales throughout the State. The Premier also said that the Prices Commissioner fixed the price of petrol on the landed costs at Port Adelaide and therefore had some control over the landed cost. The landed cost of petrol throughout Australia at any freight-free port is fixed by the Commonwealth Government which exercises the right to levy tariffs and excise. The State Government does not do that.

The Hon. Sir Thomas Playford—The Commonwealth Government does not fix prices.

Mr. RALSTON—It has the right to fix excise and tariffs. Did the Prices Commissioner lower the price throughout Australia by ½d. per gallon, or was it lowered because the Commonwealth Government lowered the tariff? The price of petrol at any freight-free port in Australia is 3s. 0¾d. a gallon for standard petrol. That is the price at Portland, Port Adelaide, Geelong or any other freight-free port in Australia and the prices fixed in South Australia by the Prices Commissioner are the freight differentials based on landed costs at Port Adelaide plus a margin of profit to the retailer on petrol sold through the pumps.

The Hon. Sir Thomas Playford—Every cargo that comes in is at a different price.

Mr. RALSTON—The price does not vary on sales through the pumps but it was lowered a halfpenny only the other day. The price today at Port Adelaide is 3s. 0¾d., the margin of profit to the retailer is 4¼d.; and the price at every petrol pump in Adelaide is 3s. 5d. a gallon for standard grade petrol. That applies throughout the metropolitan area and no freight differential cost is applied. The Premier said there was some slight recovery of the freight differential in the more closely populated areas, but there is no recovery at all in the metropolitan area and that is the most closely populated area in the State. That disposes of the matter of freight differential.

Honourable members who were here last year will remember that I often raised the subject of freight differentials on petrol and other petroleum products and I pointed out how they affected the Lower South-East, in particular Mount Gambier. The electorates affected by the landing of petrol at Portland, where landed cost is 3s. 0¾d. for standard grade petrol, are Mount Gambier, Victoria and Millicent. I hope each member whose electorate is affected by the freight differential cost will consider how it affects his every constituent using petrol.

I know the feeling of the Mount Gambier people, for they see all this petrol that goes to the Lower South-East being carried by rail or road tanker from Portland and distributed from bulk storage depots. The people know they are paying 4½d. freight differential on every gallon, which is the freight differential at Port Adelaide, and they doubt whether that charge can be justified, especially because the known freight costs on rail, which are concessional costs from Portland to the border of South Australia and freight cost from the border to the town, do not exceed 2½d. a gallon. That has only occurred in recent years and is no doubt a change of which the Prices Commissioner has not become fully aware because, if he is fully aware of it, he must substantiate what I say.

No one will dispute that, years ago when petrol, power kerosene and distillate were freighted from Port Adelaide to Mount Gambier and other places in the South-East, the freight cost of 4½d. a gallon was a just one, properly incurred, and the right to add a just and proper freight cost has never been questioned and is not questioned now. Let us examine how the original set-up of petrol distribution has completely changed in recent years. I quote statistical information to show this has occurred and the statistics will further emphasize the point I am making especially in relation to the Lower South-East. In the electorates of Victoria, Millicent and Mount Gambier the interests of secondary industries and primary producers, together with those of commercial transport and private motorists, have been affected and everyone is greatly concerned.

The Railways Commissioner's report for the year ended 1956-57 shows that 21,293 tons of petrol, kerosene and oil products, of which 7,562 tons came from Portland and 13,731 tons from Port Adelaide, was railed to Mount Gambier. That is not long ago and then most of the petroleum goods came from Port Adelaide. In addition, three companies transported all their supplies from Portland by road. That is an unknown quantity, but we can average it out at about 4,000 or 5,000 tons.

The only petroleum products that came from Portland were petrol, power kerosene and distillate. The other petroleum products that came to the South-East and comprised the majority of the petroleum products brought from Port Adelaide were lubricating oil, furnace oil, lighting kerosene and things of that nature, including grease.

Let us now examine the Railways Commissioner's report for the year 1957-58. The total tonnage railed to Mount Gambier dropped to 19,529 tons—and this occurred in a rising market for the consumption of petrol products—of which 10,548 tons came from Portland. This was nearly 3,000 tons more than the previous year, while the tonnage *ex* Port Adelaide dropped from 13,731 tons to 8,981 tons, which was 4,750 tons less than the previous year. As the tonnage by rail from both sources decreased in this year by 1,764 tons, I doubt if any honourable member will cavil when I suggest the tonnage transported by road would have increased by at least that amount—probably by the total tonnage that it was down from the previous year—especially as it is authoritatively claimed that the consumption of petroleum products is increasing at the rate of 8 per cent each year.

For the year 1958-59 the Railways Commissioner's report is not yet available, but I am indebted to the Railways Department for supplying the following tonnages, which show that deliveries of petroleum products *ex* Portland continue to increase, while deliveries *ex* Port Adelaide continue to decrease, the amounts being: *ex* Port Adelaide 7,275 tons—and that consists mostly of the lesser petroleum products—and *ex* Portland 13,283 tons. This latter amount of 13,283 tons, to which must be added the 7,000 or 8,000 tons now being brought in by road—and the railways get nothing at all from that—means that the consumer is paying a freight differential of 4½d. a gallon on at least 5,000,000 gallons of motor spirit, power kerosene and distillate, all of which comes from Portland, 71 miles away, and the freight differential thereon should not exceed 2d., or at the most 2½d. a gallon.

The Premier pointed out earlier that the freight differentials on power kerosene and distillate *ex* Portland were about 4½d. a gallon, which means that the freight differentials charged *ex* Port Adelaide would mean an additional cost. I thought it was a rather unusual argument to address there. Surely, when we know that these completely unjustified costs are being imposed on consumers in the South-East—and we also know it is costing them between £40,000 and £50,000 a year more than can be justified—it is time something was done. There is ample scope for a thorough investigation, and it must be done. The best method to accomplish this would be by the appointment of a Parliamentary Select Committee in accordance with the motion.

The Leader of the Opposition, when introducing this motion, strongly advocated the desirability of having Port Pirie and Port Lincoln declared ports where the price of motor spirit and other petroleum products would be determined as being the landed cost. This would bring great benefit to all types of industry as well as primary producers throughout the mid-north and northern areas throughout South Australia. They were two areas mentioned by the Premier when he was speaking in opposition to the motion. It would mean that petrol, etc., would be 2½d. a gallon cheaper at Port Pirie and by a corresponding amount throughout the areas previously mentioned.

The electorates that would gain enormous benefit from this plan are Stuart, Rocky River, Gouger, Port Pirie, Frome and Burra. I ask members representing those districts to examine carefully this proposal. I hope the vote will be taken on a non-party basis. There is no reflection on the Prices Branch. It will be greatly to their advantage, and the advantage of their districts, if members representing these electorates support the motion.

Perhaps it would be appropriate at this juncture to mention the comparative tonnages of petroleum products landed at Portland, Victoria, and Port Pirie, South Australia, for the year ended June 30, 1959, bearing in mind that Portland is a port at which the landed cost of these petroleum products applies. The quantities were:—Portland, 127,732 tons; and Port Pirie, 163,946 tons. It is clear that these tonnages landed at Port Pirie on which a 2½d. rail freight per gallon *ex* Port Adelaide is being charged greatly exceed those landed at Portland, in respect of which those people in the western districts of Victoria gain the advantage of having a freight-free port.

I suggest that one task of this Select Committee, if appointed, will be to examine many of these things with the object of making recommendations to the Government to see if the benefits that are gained by the people in the western districts of Victoria, where their port handles much lower tonnages, cannot be given to the people of the mid-north, where their port is landing a much greater tonnage.

The point made by the Premier that Port Pirie is a multiple port applies also to Portland. Many tankers discharge a portion of their load at Portland, continue to Port Adelaide, and discharge some there before going on to Hobart in Tasmania. The policy of a multiple port is a red herring to divert attention; if it is said that this applies only at Port Pirie, it is wrong because, in fact, it applies to practically every port where petrol is landed in Australia. There is no need for me further to stress the claims of Port Pirie for Commonwealth recognition. Although the shipments landed at Port Lincoln were not so great, I see no reason why this port should not be included in the list of Australian ports where the price of petrol is determined as being landed cost.

Mr. Heaslip—Are the landed costs the same at Port Pirie, Port Lincoln and Port Adelaide?

Mr. RALSTON—I have already quoted the landed cost of petrol for Port Adelaide three times: it is 3s. 0¾d. a gallon. That is the landed cost of standard petrol at any freight-free port in Australia, and if Port Lincoln and Port Pirie could be included as freight-free ports, that would be the landed cost of the petrol there.

The present freight differential of 3d. a gallon at Port Lincoln is a heavy burden on industry and the primary producers in the West Coast area, which is dependent almost exclusively on motor transport. The *Advertiser* of Saturday, October 17, contains a report of statements made by Mr. H. R. Faulkner, the managing director of Caltex Oil (Australia) Pty. Ltd., who spoke of the benefits that will accrue to the people of the West Coast when the oil terminal at Port Lincoln is extended. He said that the entire West Coast, from Whyalla to the fringe of the Nullarbor Plain, would receive products from the terminal and would benefit from its establishment.

Members whose electorates will be affected by the inclusion of Port Lincoln in the list of freight-free ports will be the member for Flinders, the member for Eyre, and the member for Whyalla. The inclusion of this port in the list of such ports is one of the things a committee should go carefully into. There are 250 gallons of petrol to the ton, and every penny a gallon we can save means a saving of £1 0s. 10d. a ton in petroleum products. During the year ended June 30, 1959, 163,946 tons of petroleum products were landed at Port Pirie, where there is a freight differential of 2½d. a gallon, and it will be seen that the saving to the people of this State on that port alone would be well over £300,000 a year. This matter would therefore be well worthy of investigation by any committee. The saving at Port Lincoln could be between £40,000 and £50,000 a year.

On the West Coast there are only 400 miles or so of railway. Honourable members representing electorates in that part of the State have every reason to support something which would prove of value to their constituents. I hope they will keep Party politics out of this, and not regard the motion as any reflection on the Prices Commissioner. The Opposition considers that the Prices Commissioner has done a good job, certainly as regards other commodities. Every member who has the interests of the State, and especially the primary producers, at heart, should support this motion. Primary producers claim they are fighting hard in the face of falling prices, and they should try to cut every expense possible. Every penny a gallon they can save means a saving of 3s. 4d. on a drum of petrol; and where the freight differential is 2d. a gallon the saving is 6s. 8d., and where the differential is 3d. a gallon the saving is 10s. That burden on the primary producer is one which everyone who represents a country electorate has every reason to be perturbed about. The most closely populated area in this State—the metropolitan area—does not pay any freight costs at all; merely the landed cost. I submit there is an excellent case for every member in this House to consider favourably the motion moved by the Leader. I support the motion.

Mr. McKEE (Port Pirie)—The Premier gave several reasons for the differential prices, and stated that they were mainly due to the cost of transportation to the country areas. However, I maintain that the amounts charged are very much higher than the actual transport costs. I agree with the member for Mount Gambier that this motion is no reflection on the Prices Commissioner, who has done a very good job.

I support the appointment of a committee to inquire into differential charges on petrol and motor fuels throughout the State. Since this motion has been brought before the notice of the public it has caused considerable interest, as all sections of the community are affected. Irrespective of their political opinions, I am sure most people would welcome such an inquiry. The fact that so many petrol stations and roadhouses are being built, and that dwellings have been bought by oil companies at high prices and demolished in order to establish petrol stations,

proves that someone is getting the lion's share, and there certainly seems to be something wrong.

I am at a complete loss to understand why petrol landed at Port Pirie or Port Lincoln by overseas or interstate tankers should be any dearer than petrol landed at Port Adelaide. That petrol is landed from the same tankers, and comes from the same refineries. As the member for Mount Gambier pointed out, well over 160,000 tons of petrol and motor fuel are landed at Port Pirie annually for local consumption or distribution throughout the mid-north. It is reasonable enough that oil companies should charge the actual cost of cartage when petrol is delivered over a certain distance, but to charge an extra 2½d. a gallon at Port Pirie and an extra 3d. at Port Lincoln, which are both ports of delivery, seems completely unjustified to me, as no actual rail or road cost is incurred.

To illustrate the unusual variations in prices, petrol at Crystal Brook (18 miles from Port Pirie) costs 3s. 8d. a gallon, while at Yorketown, where it is delivered by road transport from Adelaide, a distance of over 160 miles, the cost is 3s. 7½d. a gallon. I cannot work that one out. At Peterborough, which is only 80 miles from Port Pirie, the port of delivery, it costs 3s. 8½d. a gallon, which is 1d. dearer than at Yorketown. At Olary, which is 160 miles from Port Pirie—the same distance that Yorketown is from Adelaide—petrol is sold at 3s. 9d. a gallon.

Mr. Quirke—How do they take it to Olary?

Mr. McKEE—By mule train, I think.

Mr. Heaslip—You haven't much confidence in the Prices Commissioner.

Mr. McKEE—I have. It is obvious that thousands of pounds are involved in this issue which affects primary producers, every form of industry, the decentralization of industry, private and public transport and every section of the community. For this reason all members are obliged to support an inquiry as the general public will anxiously await the results of such an inquiry. There are few citizens who favour monopolies that have the freedom to exploit them and it should be the desire and determination of any Government to investigate unjustifiable prices in an attempt to protect the buying public against unfair profiteering. The South Australian public demands this inquiry and I wholeheartedly support the motion.

Mr. HEASLIP (Rocky River)—My electorate has been mentioned as one that would get the greatest benefit from an inquiry.

Mr. Ralston—Some benefit.

Mr. HEASLIP—When this motion was introduced I intended to oppose it. It may seem strange that a country member should oppose something which the Opposition suggests will be of great benefit to country people. However, in another matter, I pointed out that people who purchase properties in the country are aware of the disabilities they will suffer because of the distance they are from capital cities and from markets and as a result they get their properties more cheaply.

Mr. Quirke—That has nothing to do with it.

Mr. HEASLIP—It has. Let us get down to tin-tacks. To be logical, if we are going to buy petrol under some form of subsidy, then we must be able to buy our groceries and superphosphate under a form of subsidy.

Mr. O'Halloran—You already get a rail concession rate on the transport of superphosphate.

Mr. HEASLIP—We can get it more cheaply by road. Make no mistake about it, the railways make a profit on the transport of superphosphate. It has been said that superphosphate and wheat are carted by the railways at a loss. Don't ever believe that! This year the railway revenue will be less because there is not as much wheat to be carried. In the country people pay more for their commodities according to the distance they are from the markets, and they know that when they purchase their properties. Because of that I was going to oppose this motion, but after hearing the Premier say that the carrying of this motion would mean the abolition of price control I am in the position where I feel I must support it and I think that that will apply to all members on this side who are opposed to price control. Because of that I feel bound to support this measure.

Mr. Lawn—You are bound to support it if you represent the people of your district.

Mr. HEASLIP—I do not think that is the point at all. I am prepared to vote for this measure if it will bring about these so-called benefits to my constituents. That should apply to all country members.

The Hon. Sir Thomas Playford—You realize it would put price control out?

Mr. HEASLIP—And for that reason I support it. We would get a double issue: we would get rid of price control and we would get these so-called benefits for country people. That being so I cannot see how I can oppose it. I would like to hear more country members speak on the motion because I believe they would feel the same as I do about it.

Mr. Lawn—Are you speaking for the member for Mitcham (Mr. Millhouse)?

Mr. HEASLIP—I am sure he will vote for it.

Mr. Lawn—You beauty!

Mr. HEASLIP—He must: he opposes price control and this is the way to get rid of price control and the Prices Branch. By so doing we will save money because we will not have to pay salaries to officers of that department.

Mr. Lawn—Let us take a vote now before the Master pulls you up.

Mr. HEASLIP—The Premier said that this was a no-confidence motion in price control. I am in somewhat of a dilemma as I have had to change my mind from opposing the motion to now believing I should support it. I would like to hear more argument on the subject.

Mr. Shannon—Listen to a few more arguments before you finally decide.

Mr. HEASLIP—I want to hear some more arguments because at present I feel I must support the motion.

Mr. RICHES secured the adjournment of the debate.

SUPPLY BILL (No. 3).

Returned from the Legislative Council without amendment.

[*Sitting suspended from* 5.54 *to* 7.30 *p.m.*]

STATUTES AMENDMENT (PUBLIC SALARIES) BILL.

Consideration in Committee of Legislative Council's suggested amendment:

Clause 7, after the word "fifty-nine" insert "and the rate fixed by section 3 shall for all purposes be deemed to be the salary at which the Auditor-General holding office on the thirtieth day of September, 1959, was being paid at the time of his retirement."

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—When the Bill was introduced it dealt, among other things, with the salary of the Auditor-General, Mr. Bishop, but owing to various circumstances the Bill was delayed in the Legislative Council and was not passed until after Mr. Bishop had retired. It would have meant that, although normally he would have been entitled to the increased salary, the Government could not pay it unless a provision was included to cover the position. That is the object of the amendment.

Suggested amendment agreed to.

RENMARK IRRIGATION TRUST ACT AMENDMENT BILL.

The Hon. C. S. HINCKS (Minister of Lands) 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 give effect to certain arrangements between the Government of the State and the Renmark Irrigation Trust, to provide for the grant of certain moneys and loans to the Renmark Irrigation Trust, and to amend the Renmark Irrigation Trust Act, 1936-1958, 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. C. S. HINCKS—I move—

That this Bill be now read a second time.

The object of this Bill is to give effect to arrangements which have been concluded between the Government and the Renmark Irrigation Trust. These arrangements may be shortly described. The Government has agreed to assist the trust by way of a grant of £50,000 a year and a loan of £25,000 a year for the next 10 years. The trust, for its part, is to provide out of its own resources £25,000 per annum for the same period. Under these proposals there would be available to the trust a total sum of £1,000,000 for that period which is to be used by the trust for the purpose of undertaking a comprehensive drainage scheme for the district, the general improvement of the district and the rehabilitation of its irrigation system. At the same time the trust has agreed to relinquish its local governing functions, but will continue to operate its electricity undertaking within the districts now supplied by it.

The Bill accordingly provides by clause 17 for the necessary financial arrangements. That clause repeals the existing section 123 of the Act which, since the loans therein referred to have been repaid, has become a dead letter and substitutes a new section. This section appropriates a total sum of £750,000 to be paid by the Treasurer into a trust account by annual payments of £75,000. Subsection (2) of the new section will empower the Treasurer to pay to the trust out of the trust account such amounts as are required by it by way of grant or loan. The total sum to be granted is not to exceed £500,000 and the total to be advanced is not to exceed £250,000. The trust is required by subsection (3) of the proposed new section to set aside £25,000 out of its own resources or to make arrangements for such setting aside to the Treasurer's satisfaction. Such sums set

aside by the trust, together with amounts received from the Treasurer, are to be paid into a separate account and expended only for the purposes mentioned in subsection (5) of the proposed new section, namely, the undertaking of a comprehensive drainage scheme and the rehabilitation of the irrigation works, subject to the approval of the Minister of Lands.

Subsection (7) of the proposed new section provides that the trust will repay the amounts advanced with interest at 5 per cent per annum to be calculated from the end of the period of 10 years (or if the works should be completed earlier, then from approximately that date) by equal annual payments. Subsection (8) of the proposed new section will provide that the balance of the loan shall be a first charge on all the property of the trust but an equal first charge is given to the Bank of New South Wales, to a limit not to exceed £75,000, except with the Treasurer's express approval. The reason for this is that the trust has a standing arrangement with the Bank of New South Wales for an overdraft, the amount of which varies from time to time and which is necessary to enable the trust to function pending collection of its rates from time to time.

The next part of the Bill to which I refer covers clauses 4, 14, 15, 18 and 19. These clauses relate to the continuance of the trust's electrical supply undertaking. Clauses 14, 18 and 19 are consequential but clause 15, which repeals the existing sections 115 to 116 (which are redundant) inserts into the principal Act the whole of the existing provisions of the Local Government Act relating to electricity undertakings with the exception of one or two sections that would not be applicable to the Irrigation Trust. The new section 115 will empower the trust to establish and maintain electric supply works and supply electricity within the district of the trust and other parts of the State outside the district as proclaimed by the Governor. It is contemplated that the districts of Chaffey and Cooltong, which the trust is at present supplying, should be proclaimed. The new section 116 will give the Irrigation Trust the exclusive right to supply electricity within its own and proclaimed districts.

The remaining new sections have been taken from the Local Government Act and adapted to the conditions of the trust. It is considered desirable that all of these sections should be in the principal Act in view of the proposal that the trust shall, on a day to be proclaimed, cease to exercise local government functions which will, of course, mean that it will be unable to rely upon the Local Government Act in respect of its electricity undertaking. The next provision of the Bill to which I refer is clause 10. This repeals section 72 of the principal Act which is the section that gives to the trust the powers of a district council. Consequential amendments are contained in clauses 6 and 8.

The remaining clauses concern, in the main, the powers and functions of the trust in relation to drainage. Section 115 of the principal Act having been removed, clauses 5, 7, 11, 13 and 20 cover power to construct drains and drainage works. Clauses 9, 12 and 16 relate to financial matters. Clause 9 will extend the power of the trust to expend moneys derived from the trust's general revenue and will limit power to expend money to expenditure for the general benefit of the district. Clause 12 will empower the maximum of the rates which may be declared by the trust to be fixed by the Minister of Lands from time to time. This is designed to avoid the necessity for amendments to the Act from time to time.

Clause 16 extends the borrowing power of the trust to the raising of loans on the security of other revenue besides rates. Lastly, I will mention that those clauses which remove the local governing powers of the trust and effect consequential amendments will come into operation only on a date to be fixed by proclamation. It will be appreciated that there will be a number of matters of detail to be resolved before the district of the trust can be placed within another local governing area and it is contemplated that action to this end should take place some time early next year.

Mr. O'HALLORAN (Leader of the Opposition)—I do not intend to seek the adjournment of this debate because I understand that it is necessary that the Bill should be passed with expedition. I subscribe to the general principles proclaimed in the Bill. Some time ago, together with other members, I visited the Renmark district at the invitation of the trust, and we were also conducted over irrigation areas along the River Murray in New South Wales and Victoria that had problems, similar to those at Renmark, that had been solved by the irrigation authorities in those two States. I then formed the opinion that assistance should be given to the Renmark Irrigation Trust to enable a comprehensive drainage scheme to be implemented that would deal with the seepage

problem in certain parts of the trust's area, and which, of course, will undoubtedly extend if not dealt with. That, I think, is one of the main reasons why we should pass this Bill with as much expedition as possible. After all, the assistance proposed to be given by this Bill to the trust to enable a comprehensive drainage scheme to be established and other improvements to be made is on all fours with assistance provided in every other irrigation area on the River Murray in South Australia. Probably we will at least get the work done as cheaply as if we adopted the only other alternative that I can see, which is to take over the whole operations of the trust.

As members know, the trust has been in existence for many years and, as far as I can remember, it has been efficiently managed, well conducted, and has given satisfaction to the great body of settlers who are dependent on its control for the maintenance of their industry. On the principle of the financial assistance proposed to be given under this Bill there can be no argument. The second major point, of course, is the removal of the local government powers now exercised by the trust over certain parts of the Renmark area. I think that is all to the good. I have recollections of this House from time to time having to amend the Renmark Irrigation Trust Act to provide for changing circumstances associated with the trust's local governing powers. Now, after the necessary machinery has been created, we shall have a local governing authority that will have charge of the whole Renmark Irrigation area. So the functions of local government will be determined by a properly constituted authority under our Local Government Act, and the functions of the Renmark Irrigation Trust regarding irrigation, drainage, etc., will be carried out by the trust in accordance with the provisions of this Bill. A point of major importance is that this, being a hybrid Bill, will have to be referred to a Select Committee of the House. Therefore, we can be sure that if any matters require further attention they will be examined by the Select Committee and mentioned in its report. For those reasons I support the second reading.

Mr. KING (Chaffey)—I support the Bill and also pay a tribute to the Government for acting so quickly in taking steps to relieve the position which has developed in the Renmark district and which, if allowed to continue unchecked, would result in much of that district going out of production through seepage trouble. Seepage has been a problem common to all irrigation areas that have been started along the River Murray. For one reason or another it has taken a little longer to show up in the Renmark district than in some other districts. In this case the onset of the seepage problem and salt development has been hastened by the 1956 floods, which had the effect of forcing the salt content of the soil back underneath the sediment, and then it rose and added to what was already a threat to the continuance of that district as a fruitgrowing area.

Much preparatory work was done and some deputations went to the Minister. The Renmark Irrigation Trust was set up by Parliament in 1893 to administer the affairs of that area, the whole of which is held freehold, whereas the Government-controlled areas are all held leasehold. Over a period of years the Renmark Irrigation Trust has done a very good job distributing the water to its ratepayers and also attempting to solve the seepage problem. Its first attempt in that direction was by way of deep drains, through which it was hoped the water would seep and then be carried away to where it would do no damage. They were not as effective as they might have been in certain circumstances and for short distances, and it came to be realized eventually that the Renmark settlement would have to attempt to meet the situation by methods that had proved successful elsewhere.

According to the local paper, it is considered that, in the older part of the settlement of Renmark, already production has fallen away by about 25 per cent compared with production in the neighbouring irrigation areas where drainage has been successfully installed and operated for at least 10 years—as, for example, in Berri. The Renmark Irrigation Trust approached the Government for assistance in this matter as soon as it was possible for something to be done immediately following the floods. The net result of the representation of the trust and the sympathetic hearing of the Minister was that the Treasurer made this offer to help the trust in its problem, it being realized that the value of money had depreciated considerably since similar schemes had been inaugurated in Government areas. Consequently, it was necessary to go a little further in the case of the Renmark area than would have been the case some years earlier.

Considerable assistance was given by the Engineering and Water Supply Department and

the officers of the Minister of Lands in preparing contour surveys setting out the work necessary for the preparation of an overall drainage plan. Finally, they offered assistance in the actual designing of the drains required. When that had been done it was possible to see somewhat more clearly the pattern that the drainage system for Renmark would have to follow. The proposal before us is nothing to do with the drainage of Chaffey and Cooltong. Chaffey was a First World War Settlement in vine-growing and Cooltong was a Second World War Settlement.

Mr. O'Halloran—Both Government settlements?

Mr. KING—Yes. Chaffey is adjacent to the Renmark irrigation area. I should not be surprised if the drainage of that area took place at the same time as that of the Renmark Trust area so that common facilities in certain aspects could be used. But the Cooltong drains would be more or less on their own. The question then arose how it was to be done. A plan having been arrived at, from experience gained it was soon apparent that a big, comprehensive scheme would be needed for Renmark. It also became obvious that the catchment or disposal area drainage water for Renmark would have to flow through Salt Creek. Over the years the Renmark Irrigation Trust had brought the water from Ral Ral Creek, a distance of about three or four miles, to its No. 3 pumping station, from which it is in the main reticulated over the whole area. Salt Creek appears to be practically the only area in which the drainage water, when it is finally tapped, brought to the surface and collected, will have to be collected, and through it runs this channel to supply the district. There is a danger of salt from Salt Creek getting into that channel.

In the proposal it is recognized that new pumping facilities will have to be provided, and the £1,000,000 that it is intended to spend over the next 10 years would include the cost of replacing or rehabilitating the whole pumping system for the district. Those points have not yet been fully discussed but it is hoped that the provision made under this Bill will be ample to meet the situation. Consequently, when we arrived at the information that we could get to put the proposition before the Government, it was not very long before the Treasurer was able to announce the form of assistance, and that assistance is outlined in the arrangement in the Bill. When that arrangement was first discussed, it was announced in the precincts of this House before representatives of the Renmark irrigation area and also the other local governing bodies in the district, such as the Renmark corporation, Government officers also being present.

The Treasurer made it plain in that discussion that, in making the offer available, it would be necessary for the Renmark Irrigation Trust to hand over the local governing powers that had been referred to it under a special section of its own Act; and also in the later discussion it was made clear that the trust would be permitted to carry on the reticulation of electric power in the districts which at that time it served, which included the areas of Cooltong and Chaffey. The history of the electric supply in that area goes back to the days when, firstly, the pumps at Renmark were electrified. The idea was to have a generating station for the various pumping points, but later on, as spray irrigation developed and as the need for pumping for internal drains increased, the trust's power lines had to be strengthened accordingly to extend it.

It was found useful to the trust, at the time this was developing, to provide a service for domestic and industrial consumers in the area it served. That is the genesis of the electric power situation in the Renmark Irrigation Trust area. It is not on all fours with other electric supply systems that are often found associated with local government bodies. Consequently, it was considered wise under the circumstances, particularly as the trust is its own biggest consumer and its ratepayers are the next biggest consumers, for the trust to carry on that electricity function. The other point is that it was believed that, by carrying on for at least some considerable time, the trust would be able to get a better distribution of its overhead and better use of its existing working plant by providing irrigation and power supplies at the same time.

The trust called a meeting of the people concerned at Renmark to discuss the implications of the proposals. When those proposals were first announced, the local newspaper, the Murray *Pioneer*, canvassed responsible opinion in the district to find out the reaction, and opinion unanimously favoured the proposals. In fact, it was actually a commendation of the Government for the step it had taken and a commendation of the work of the trust itself for the way in which it had conducted the approach to the Government. Later, the trust in its wisdom called a meeting of all ratepayers, which I was privileged to attend. It was a big meeting, attended by nearly 400

ratepayers, who were actually the only people entitled to attend. The proposals were discussed at that meeting, and the ratepayers were very happy to accept the situation, there being not one dissenting voice.

At one stage it was suggested that perhaps the Government should take over the settlement, but that proposal was, in the local term, howled down by the voices. The ratepayers wished to carry on as they had before in controlling and conducting their own affairs, and I think that is a very good thing. As I mentioned recently when speaking of the Adelaide technical high school, it is always useful to have a measuring stick in these things in order to gauge the success of an enterprise. After that meeting the decision was conveyed to the Premier and the Minister of Lands, and the trust itself wrote to the same people thanking them for the offer and commending them for what had been done. The people principally concerned in this matter are heartily in accord with it.

When the trust said it would vacate the field of local government it invited the ratepayers, all the owners and occupiers who would be included under local government in the area vacated, and also people in the Cooltong and Chaffey areas to attend a meeting and appoint a committee to look into the problems of local government and to recommend the form local government should take in that area. That is an open question. It could result in a Greater Renmark, in two local governing bodies, or in other variations. That committee's job is to go thoroughly into the question. It has had several meetings, and is gaining much information that it will present to the ratepayers. It will then be for the ratepayers mostly concerned to decide the future of local government in that area.

Some people feel there should be a Greater Renmark, and that view has been widely canvassed and thoroughly examined by the committee to which I referred. It is expected that that committee will complete it deliberations very shortly, and I believe another meeting of ratepayers will be called early in November to discuss the findings of the committee, out of which we hope will come a recommendation that will guide the Government in the future steps to be taken. Until such time as arrangements are made for the continuance of local government facilities in the areas vacated, the Renmark Irrigation Trust will continue to use its powers, more or less as a caretaker, in the area. It will not affect Cooltong or Chaffey. The provision for that, together with the other part of the Act relating to the electricity franchise, will be subject to proclamation, and will have to be keyed in with the decisions made regarding local government. In the meantime, it is very necessary for financial reasons, and to enable work to proceed without delay, that this Bill should be dealt with as quickly as possible. I support the Bill.

Mr. LAWN (Adelaide)—I support the Bill. I was interested in the Minister's explanation of the clauses, and I draw attention to his remarks regarding clause 17. He said that subsection (7) referred to the repayment of the loans advanced, and went on to say:—

> Subsection (8) of the proposed new section will provide that the balance of the loan shall be a first charge on all the property of the trust but an equal first charge is given to the Bank of New South Wales, to a limit not to exceed £75,000 except with the Treasurer's express approval. The reason for this is that the trust has a standing arrangement with the Bank of New South Wales for an overdraft, the amount of which varies from time to time and which is necessary to enable the trust to function pending calculation of its rates from time to time.

I am interested to know why an undertaking such as the Renmark Irrigation Trust, financed by the Government and the settlers in the area, should ignore our own State Bank, which is the implication in the Minister's explanation. It does its banking business with the Bank of New South Wales, and it is found necessary to provide by legislation that this bank should have an equal right with the State in the event of some distribution of the trust's assets. I am concerned to think that the Irrigation Trust is banking with the Bank of New South Wales when the State Bank—our own bank—is functioning in the area. I think the Government should at all times encourage banking with our own State Bank.

The trust was set up by, and is functioning under, an Act of Parliament, and receives an annual grant from the Parliament, yet it does its banking business with a private bank which is competing with our own State Bank. There may be some explanation for this, but I cannot see why it should bank with a private bank when the State Bank is operating in the area. I do not know whether the Minister can explain that point at this stage, but the Bill will be referred to a Select Committee which may investigate this.

Bill read a second time and referred to a Select Committee consisting of the Minister of Lands, and Messrs. Bywaters, King, Laucke and McKee; the Committee to have power to

send for persons, papers and records and to adjourn from place to place and to report on November 12, 1959.

MARKETING OF EGGS ACT AMENDMENT BILL.

Second reading.

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I move—

That this Bill be now read a second time.

Its purpose is to extend the operation of the Marketing of Eggs Act for a further three years from September 30, 1960. Although the operation of the principal Act was extended in 1957 until September, 1960, it is considered desirable, in the interests of the egg industry and stability in general planning, to introduce this amending Bill now rather than wait until the Act is nearly expired before doing so. The principal Act was first passed in 1941 and has been extended from time to time. The marketing scheme created under the Act has become an important part of the egg industry and orderly marketing is important in this State, where periods of surplus production alternate with periods of shortage.

Under the marketing scheme created by the principal Act the South Australian Egg Board markets all eggs produced by commercial egg producers. The board consists of six members, three representing producers, two representing wholesalers and retailers respectively, and the sixth member was the Chief Poultry Advisor in the Department of Agriculture. However, Mr. Anderson, who retired from that position within the last 12 months, is still chairman of the board.

The board is represented on the Australian Egg Board which regulates the overseas export of eggs. As the export market is on a consignment basis there is frequently a gap of some months between the time when the eggs are received by the board and the realizations for the eggs are known. The Australian Egg Board makes an advance payment to the State Egg Board at the time of packing in order to bridge this gap, final adjustments being made at the end of the season. For the reasons which I have stated earlier the Government believes that the industry should continue to receive the support of this legislation in the marketing of its eggs and considers it desirable that this extension Bill should be enacted into law during this Session of Parliament.

Recently the export trade has assumed less significance, whereas the interstate trade has greatly increased. The Egg Board has been through a difficult period and it has done particularly well in getting through it. It finished the 1957-58 year with a surplus and this year with a comparatively small deficit. On occasions members have asked questions about the interstate trade in eggs: they have referred to the appearance on our market of small eggs from Victoria at a time when interstate buyers have been purchasing our eggs outside the operations of the board. By selling to interstate buyers, as they have been doing, producers avoid the board's levies. That is a problem we must accept and deal with as best we can. Last year, when small Victorian eggs started coming here in large quantities, the board was faced with a serious situation, but because of its prudent administration the board found markets in the eastern States, particularly in Sydney, for some of our eggs and these markets are certainly more attractive than the export market that we had to fill previously.

Mr. Hutchens—Are undersized or second grade eggs acceptable in the eastern State markets?

The Hon. D. N. BROOKMAN—No. I think the Egg Board is placing good eggs on the interstate markets. The policy of the Egg Board and of the Department of Agriculture has been to get producers to go in for large eggs. We have always set a high quality standard and the fact that producers have adopted that policy has stood the board in good stead in its operations in the last few months. It has sometimes been suggested that it would be possible for an interstate truck to come to South Australia with a load of eggs, unload them and load up with South Australian eggs and go back to the eastern States.

Mr. Hutchens—Bringing in comparatively bad eggs.

The Hon. D. N. BROOKMAN—Whether or not that happens I do not know, but some eggs do come here from the eastern States and South Australian eggs go there. It is a difficult matter, but in many respects it could be worse. Mr. Anderson, who was Chief Poultry Adviser until he retired, and who is a poultry expert, has concentrated on this marketing problem in the last few years and is keen on a Commonwealth scheme. Such a scheme has always been "scotched" by New South Wales, which would come into the scheme only on condition that that State got a better price for its eggs than other States did for their eggs on the Sydney market. The

only incentive for a Commonwealth scheme is to have eggs sold at about the same price in every State. Such a scheme would cut out private trafficking in eggs. Members of the Australian Egg Board, and particularly the chairman, are interested in a Commonwealth scheme, and they are working on one for submission later to State Governments. I should like to see such a scheme in operation, but the present position is by no means bad. If it could be improved by a Commonwealth scheme, let us first have the scheme to consider. The egg producers have done fairly well despite the difficulty the board has had in marketing eggs. Unfortunately there has been a fall in egg production. In the previous autumn and summer weather affected the production and that is why the board had some difficulty, but for the most part it has done a good job. Previously Parliament agreed to this legislation and I have no doubt that it will agree to extending the term of the board for another three years.

Mr. LAWN secured the adjournment of the debate.

STOCK DISEASES ACT AMENDMENT BILL.

Second reading.

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I move—

That this Bill be now read a second time.

The Stock Diseases Act, 1934-1956, has as its object the prevention of the introduction or spread of contagious and infectious diseases affecting stock, including animals and birds. It empowers the making of regulations for restricting the movement, and for the inspection, quarantine and treatment of stock, fodder or fittings. It empowers the appointment of inspectors and contains general provisions for preventing the spread of disease in stock. It has been reported by the Chief Inspector of Stock that he is unable to control the sale of eggs from fowls affected with pullorum disease, since eggs are not included under the principal Act. Other animal products such as milk, cheese, and the like are also not included. The omissions make it impossible to control the movement of such products in the event of an outbreak of serious disease. It is considered desirable, for obvious reasons, that the omissions should be remedied and this is the object of the present Bill.

Clause 3 will add a new definition to those already contained in section 5 of the principal Act. It will define "animal product" as meaning and including meat, milk, eggs, and the like. At the same time paragraph (*c*) of clause 3 adds to the definition of "stock" in the principal Act "any animal product." The effect of this will be that the provisions of the Act relating to stock will now be applicable in respect of animal products, as defined in the new provision. At the same time the opportunity is being taken of including in the definition of "carcass" the words ", feather, blood and viscera." This is a fairly straight forward measure and self-explanatory, and I doubt whether there will be any opposition to it.

Mr. FRANK WALSH secured the adjournment of the debate.

POLICE PENSIONS ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

Its object is to effect an alteration in the basis of Government contributions to the Police Pensions Fund. The Act now provides that the Government shall subsidize the fund in accordance with the usual actuarial method whereby both the members of the police force and the Government contribute in advance of the actual payment of pensions. These provisions have been in operation since 1929, when the original Act was passed. In 1927 provision was made by the Superannuation Act for the Government to subsidize the Superannuation Fund on a clearly defined emerging costs basis. In view of the rapid expansion and increasing population of the State it is now considered desirable that the method of Government subsidy should be on a similar basis in the case of both funds.

This Bill accordingly provides by clause 3 that, instead of moneys voted by Parliament from time to time being paid into the fund, contributions shall be so paid. Clause 6 makes provision for the basis of contributions by the Government. These are to be based on the total amount of cash payments, children's allowances and pensions actually paid from the fund during each financial year. In the case of persons who became members of the force before July 1 of this year the Government will contribute two-thirds of the total amount paid out, while in the case of persons who became members on or after July 1 of this year the Government will contribute three-fifths of the

total amount paid out. The proportions of two-thirds and three-fifths are based on a recommendation by the Public Actuary following an examination of the state of the fund.

Clauses 4 and 5 make necessary consequential amendments. Section 9 of the existing Act provides that the Public Actuary shall report to the Chief Secretary in each year what the amount of the Government subsidy during that year should be. This provision is removed from the Act in view of the specific provisions for ascertaining the amount of contributions by the Government provided by clause 6.

Section 10 of the Act requires the Public Actuary to make general reports as to the state of the Fund every five years. Clause 4 re-enacts this section with the additional provision that the Public Actuary shall report at the same time as to any variation required in the rates of contribution by members of the force or the Government. A similar provision exists in relation to the Superannuation Fund. Clause 5 merely alters the number of the existing section 11 to 10.

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

FRUIT FLY COMPENSATION BILL.

Second reading.

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I move—

That this Bill be now read a second time.

Its purpose is to enable the Government to pay compensation for losses arising from the campaign for the eradication of fruit fly during the period since the passing of a similar Bill during the 1958 session. Five proclamations relating to areas in the vicinity of Alberton, Alberton Extension, Pennington, Port Augusta and Kent Town were issued during that period to prevent persons from carrying away fruit from the infected areas. Following the practice of other years, the Government proposes that compensation shall be given for loss arising from these measures, and is accordingly introducing this Bill. The explanation of the clauses of the Bill is as follows:—

Clause 3 provides for compensation for loss arising by reason of any act of the officers of the Department of Agriculture on any land within the areas defined by the proclamations and provides also for compensation for loss arising from the prohibition of the removal of fruit from any such land. Clause 4 fixes the time limit within which claims for compensation must be lodged as February 1, 1960.

Members are familiar with this legislation and I do not think there will be any opposition to it. During the debate on the Estimates I referred to the fruit fly and therefore feel it would be rather redundant to repeat my remarks; but, in brief, a Commonwealth conference is to be held which we hope will make South Australia safer against invasion by this fly. Last night I pointed out that, whereas we could not be absolutely certain, it is almost certain that we can eradicate the fruit fly in any outbreak. We are more frightened of the importation of the fly from other States. I feel that this conference will assist us in our endeavours to protect our fruitgrowing industry.

Mr. HUTCHENS secured the adjournment of the debate.

HIDES, SKIN, AND WOOL DEALERS ACT AMENDMENT BILL.

Second reading.

The Hon. D. N. BROOKMAN (Minister of Agriculture)—I move—

That this Bill be now read a second time.

The purpose of the principal Act is to regulate dealing in hides, skins and wool so as to prevent trafficking in stolen goods, in much the same way as the Hawkers Act, the Marine Store Dealers Act and the Second-Hand Dealers Act seek to prevent transactions between thieves and receivers. Section 12 of the principal Act has proved to be a complicated and unsatisfactory means of giving effect to the intention behind the Act which was that only persons who were the holders of licences issued by the Chief Inspector of Stock should be allowed to deal in—that is to say, buy and re-sell at a profit—hides, skins and wool. Clause 6, which re-enacts section 12 in an amended form, provides a simpler and more effective scheme for the licensing of persons who buy any hides, skins, or wool. It differs from the old section in the following respects:—

1. The circumstances under which a person must hold a licence are clearly and simply expressed. A licence must be held by any person who buys any hides, skins or wool for the purpose of re-sale or who, being a person who carries on the business of treating hides, skins or wool in the process of manufacture, buys any hides, skins or wool in the course of that business. A licence is not required where the goods are bought at an auction sale or from an approved selling agent.

2. The employee of a licensed person must hold a licence before he can perform the duty

of buying hides, skins and wool. This provision overcomes a disadvantage in the existing section 12, namely the inability of the Government to control a servant of the licensee who in many cases is the person who buys the goods and who should be subject to the Act, so that a licence may be refused to a person who has a record of dishonesty.

3. Provision has been made for the Minister to approve selling agents for the purpose of the Act. Under this clause a reputable stock and station agent would be gazetted as an approved agent and a person could buy hides, etc., from him without the necessity of being licensed under the Act.

Clause 3 (2) provides that the new licensing system in clause 6 shall come into operation on a day to be fixed by proclamation. Clause 4 is a consequential amendment to the main theme of the Bill as set out in clause 6. Clause 5 makes provision for the application to corporations of section 10 of the principal Act concerning the posting up of licensees' names. Clause 7 makes it an offence for an unlicensed person to hold himself out as being licensed. A breach of this clause would invoke the general penalty set out in section 15 of the principal Act, namely, a fine not exceeding £50, or imprisonment for any period not exceeding twelve months.

Clause 8 empowers the Governor to make regulations regarding the manner in which a licensee must keep records of his transactions under the Act and also to enable an inspector or member of the police force to inspect such records. In the case of a licence held by a servant of a licensee the Governor may make regulations prescribing a reduced fee. Subclause (2) of clause 8 will validate existing regulations under the principal Act concerning a licensee's duty to keep records of his dealings in hides, skins and wool.

Mr. HUTCHENS secured the adjournment of the debate.

LOCAL GOVERNMENT ACT AMENDMENT BILL.

Second reading.

The Hon. G. G. PEARSON (Minister of Works)—I move—

That this Bill be now read a second time.

It makes a number of amendments to the Local Government Act. The amendments made by the various clauses are of a disconnected nature and are of varying degrees of importance. The Bill is in the same form as that which was before this House last year with, however, a number of new clauses, namely, clauses 5 (*a*), 9, 11 and 12.

The amending Act of 1957 removed from the Act the provision limiting to £100 the allowance which can be made to the chairman of a district council. A consequential amendment should have been made to section 52 and clause 2 remedies the omission.

Clause 3 provides that a district council may appoint one of its members to be deputy-chairman. He is to preside at meetings of the council in the absence of the chairman. Under the clause a deputy-chairman will be appointed only if desired by the council.

Section 228 provides that a municipal council may, in respect of any financial year, fix an amount, not exceeding 10s., which shall be the minimum rate payable in respect of any assessed property. District councils are given similar power by section 233a, but the amount mentioned in that section is 5s. Clause 4 proposes to delete these limiting words in each section, leaving it for the council to decide, with respect to any financial year, what is to be the minimum rate for the area. In the case of properties the assessed value of which is very low (which is often the case with vacant land in country areas), the present limit for the minimum rate does not permit of a council's recovering by way of rates the administrative cost of assessing the land, issuing rate notices and receipts. In the case of some land value councils, the rates recoverable from properties comprising dwellings or other buildings are so low as to be insufficient to meet the costs of the various services provided to the ratepayers. By removing the limitations now provided in sections 228 and 233a it will be left to the council to fix the minimum rate suitable to the local circumstances. If a council so desires, it need not fix a minimum rate but if a minimum rate is fixed it must, under the sections, apply uniformly throughout the area.

Paragraph (*a*) of clause 5 will empower councils to contribute towards the maintenance of or provision of equipment for incorporated lifesaving clubs outside their respective areas. The Municipal Association asked that such a provision be made to enable councils to contribute towards lifesaving clubs in the same way as they can contribute to ambulances outside their respective areas. Paragraph (*b*) will increase the amount which a council may subscribe to organizations for the furtherance of local government or the development of any part of the State in which the

area of the council is situated. The original provision giving councils this power was enacted in 1952 and it is considered that the total of £50 then set is now inadequate.

Section 289a provides that all revenue derived by a council from such as the sale of timber is to be paid into a special fund and applied towards tree-planting purposes. It has been pointed out that the necessity to establish a special fund means opening a separate banking account and creates some administrative problems. Clause 6 therefore amends section 289a by removing the necessity to establish a separate fund, but preserves the obligation to expend on tree-planting the revenue in question. Subsection (3) of the section now provides that, if at any time the money in the fund exceeds £300, the Minister may authorize the expenditure of the excess for other purposes. Clause 6 amends this to provide that, if the revenue in any financial year exceeds £300, authority may be given for the expenditure of the excess.

I now turn to paragraphs (*a*), (*c*) and (*d*) of clause 7. Section 319 provides for the making of contributions by adjoining owners towards roadmaking costs. Subsection (9) of the section provided that when a roadway was widened the council could recover contributions from the adjoining owners. The 1957 Act deleted this subsection, there being some doubt whether subsection (11) limited the total of an owner's contribution to 10s. a foot. It is considered that subsection (9) should be reinstated, and this is done by clause 7, which also amends subsection (11) to make it clear that an owner's total contributions for any purpose under section 319 are limited to 10s. a foot.

As to paragraph (*b*) of clause 7, subsection (10) of section 319, which was enacted in 1954, provides that, before a council can require an owner of ratable property to contribute to the cost of road work, the council must, within six months of the completion of the work, give notice to the owner specifying the amount payable and requiring payment by the owner. Subsection (11) limits the total amount payable under the section to 10s. per foot of the frontage of the ratable property. The amendment provides that the notice given under subsection (10) is to include particulars of the amounts previously payable under the section, including the times when they were payable and whether payable by the present or any previous owner. Thus if in the past there have been payable at different times amounts of, say, 2s. and 4s. a foot, these facts must be stated in the notice and it then becomes apparent that, as 6s. a foot has been payable in the past, the maximum amount which can now be payable by the owner is 4s. a foot.

Section 352, which was first enacted in 1903, provides that if an owner of land contributes to the cost of making any roadway, footway, passage, lane, etc., he is to have a right to use the roadway, etc., which is to be appurtenant to his land. This section is open to serious objections. In the great majority of cases the roadway, etc., is a public highway over which the public, including the owner of the land in question, has rights of access and it is quite unnecessary to provide for any special rights as is done by the section. In the few cases where the roadway, etc., is not a public highway, the owner is given statutory rights which are not endorsed upon any certificate of title and intending purchasers of land affected by the rights have no means, short of a search of all the appropriate council records, of ascertaining whether any rights exist. Even this is not sufficient, as the contributions may have been made to the owner of the land on which the roadway is situated.

It is considered that, not only does section 352 serve no good purpose, but it can have mischievous effects as it is virtually impossible to ascertain with certainty whether any particular land is affected by rights given by the section. It is therefore proposed by clause 8 to repeal the section. However, it is considered that any existing rights under the section should be preserved subject to their being registered on the appropriate certificate of title. Clause 9 therefore provides that an owner of land claiming a right under section 352 is to make an application to the Registrar-General for the registration of his right. This application is to be made within 12 months after the passing of the Bill, after which time any right not regisetered will cease to have effect.

On receipt of an application, the Registrar-General is to give notice to persons affected and is to give further notice of his decision in the matter. From that decision there will be a right of appeal to the Supreme Court. It is provided that, if the roadway, etc., is a public highway, the right is not to be registered, but in other cases, where the right is established, it is to be registered by the Registrar-General. This amendment is strongly supported by the Registrar-General.

Section 436 of the Local Government Act provides that every debenture, the principal of which is repayable by periodical instalments, shall have a table in the specified form "printed" thereon. This presupposes that debentures are always printed whereas, in fact, they are in many cases typewritten. The amendment contained in clause 9 substitutes the word "written" for "printed." Under the Acts Interpretation Act expressions referring to "writing" include printing, typewriting and other modes of representing words visually.

Section 528 and following sections provide that a council may require buildings within its area or any part of the area to be provided with septic tanks. Clause 10 provides that the council, with the approval of the Central Board of Health, may require the septic tanks to be "all purpose" tanks, that is, tanks capable of dealing with sullage and waste water in addition to sewerage. At one time it was considered that a septic tank would not function if sullage or waste water was directed into it, but it has been found that these "all purpose" tanks are as efficient as those limited to sewerage.

Section 666 of the Local Government Act originally provided that councils might remove abandoned vehicles from streets and roads and recover the expenses from the owners. In 1957 the section was amended to provide that, after the giving of notice to the owner of a vehicle so removed, the council could, in default of payment of all expenses in connection with the removal, custody and maintenance of the vehicle, sell the vehicle by public auction and after reimbursing itself of all costs and expenses pay any balance to the owner. These provisions are not adequate to cover the case of a vehicle which is so old, obsolete or out of repair that sale by public auction becomes impossible. Clause 11 will empower a council in such circumstances to dispose of the vehicle as it thinks fit and recover all costs and expenses in and about the removal, custody and disposal of the vehicle.

In 1957 the minimum penalties which might be fixed by by-laws were raised from £10 to £20. Section 684, which covers by-laws generally, was overlooked and clause 12 of the present Bill remedies the omission.

Various provisions of the Act provide that a member of a council is not to vote or take part in any debate on a matter in which he is interested. The question was recently raised whether a councillor who was a member of, say, a local fire-fighting organization or similar body, could vote on a proposal before the council to subsidize the organization. Obviously the existing provisions are intended to provide that a councillor will not take part in proceedings before the council from which he can profit personally and it was never intended that these provisions should apply to such as the cases mentioned. Clause 13 therefore provides that a councillor shall not be deemed to be "interested" in a transaction between the council and a non-profit making organization of which the councillor is a member.

Section 779 provides a penalty not exceeding £20 for the offence of destroying or damaging property of the council such as streets, bridges, trees, street signs and the like. Clause 14 increases this maximum penalty to £50, as it is considered that the present maximum is inadequate to deal with vandals who wantonly damage public property of this kind.

Section 783 makes it an offence to dump rubbish of various kinds upon streets and other public places. Clause 15 extends the articles to which the section applies to include debris, waste and refuse. The dumping of rubbish on road sides is prevalent and it is considered that, in order to deal adequately with this offence, the existing maximum penalty should be increased from £20 to £40. In addition, clause 15 increases from £5 to £20 the maximum penalty under subsection (2) for permitting rubbish to fall from a vehicle on to a road.

Clause 16 increases from £10 to £50 the maximum penalty under section 784 for the offence of wilfully or maliciously damaging or removing a fence or gate erected under section 375 across a road subject to a lease or under section 376 as an extension of a vermin-proof fence.

Until the amending Act of 1957, an application for a postal vote had to be witnessed by an authorized witness, but that Act altered the law to provide that the witness was to be a ratepayer of the area. The result is that, if a ratepayer is in another part of the State, he must secure a ratepayer for the particular area to witness his application and in many cases this would be either impossible or very difficult although, if he is outside the State, his application can be witnessed by an authorized witness. This result was probably not intended when the Act was amended in 1957 and clause 17 therefore provides that, as regards a ratepayer making an application for a postal vote within the State, his application may be witnessed either by a ratepayer of the area or an authorized witness.

Clause 18 merely corrects a drafting error in section 27 of the amending Act of 1957.

Mr. LOVEDAY secured the adjournment of the debate.

MILLICENT AND BEACHPORT RAILWAY DISCONTINUANCE BILL.

Second reading.

The Hon. G. G. PEARSON (Minister of Works)—I move—

That this Bill be now read a second time.

Its object is to enable the South Australian Railways Commissioner to remove that portion of the Beachport to Mount Gambier railway which lies between Beachport and Millicent. The Beachport to Mount Gambier line of 3ft. 6in. gauge was authorized by statute in 1876. The section between Beachport and Millicent was closed on November 1, 1956, by order of the Transport Control Board dated September 11, 1956, following a report by the Parliamentary Standing Committee on Public Works dated August 30, 1956. The committee recommended that the Commissioner be authorized to take up and remove the rail tracks, buildings, and other works connected with that portion of the railway and either call tenders for their purchase *in situ* or if in his opinion it would not be to the best advantage to accept any tender or if no tender were received, he use, sell, or dispose of the materials as he deemed expedient. This recommendation was subject to the proviso that the effect of such action would not be to abrogate any provision of the Railway Standardization Agreement relating to the South-Eastern Division. The Government was advised that from a strictly legal point of view it would not be a breach of the agreement to have the line pulled up, but it was considered desirable to seek the views of the Commonwealth on the proposal. Accordingly the Honourable the Premier wrote to the Prime Minister who replied in December, 1958, that the Commonwealth Government had no objection to the removal of the rail tracks, buildings, and other works connected or used with the line and regarded as terminated any obligation imposed on the State under the standardization agreement.

Legislation is required to permit the Commissioner to remove the tracks and accordingly this Bill provides by clause 4 that the Commissioner may take up and remove or otherwise dispose of the railway including the buildings and other works connected or used in connection with it and sell or otherwise dispose of the materials or any of them as he deems proper.

Clause 5 declares that the remainder of the railway, that is the portion between Millicent and Mount Gambier, shall be deemed to be the railway authorized by the original enabling Act.

Clause 3 is merely an interpretation clause describing the portion of the railway which is to be removed by reference to a plan which has been deposited in the office of the Surveyor-General.

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

WANDILO AND GLENCOE RAILWAY (DISCONTINUANCE) BILL.

Second reading.

The Hon. G. G. PEARSON (Minister of Works)—I move—

That this Bill be now read a second time.

Its object is to enable the South Australian Railways Commissioner to remove the railway line between Wandilo and Glencoe. This line, of 3 feet 6 inches gauge, was authorized by statute in 1903. It was closed on July 1, 1957, by order of the Transport Control Board dated May 7, 1957, following a report by the Parliamentary Standing Committee on Public Works dated May 2, 1957. The Committee recommended that the Commissioner be authorized to take up and remove rail tracks, buildings, and other works connected with the railway and either call tenders for their purchase *in situ* or, if in his opinion it would not be to the best advantage to accept any tender or if no tender were received, use, sell, or dispose of the materials as he deemed expedient. This recommendation was subject to the proviso that the effect of such action would not be to abrogate any provision of the Railway Standardization Agreement relating to the South-Eastern Division. Although the Government was advised that from a strictly legal point of view it would not be a breach of the agreement to have the line pulled up, it was considered desirable to advise the Commonwealth of the proposal. Accordingly the Honourable the Premier wrote to the Federal Minister for Shipping and Transport and was advised in July of this year, that the Commonwealth Government had no objection to the removal of the rail tracks, buildings, and other works connected or used with the line, and regarded as terminated any obligation imposed on the State under the standardization agreement.

Legislation is required to permit the Commissioner to remove the tracks, and accordingly this Bill provides by clause 3 that the Commissioner may take up and remove or

otherwise dispose of the railway, including the buildings and other works connected or used in connection with it, and sell or otherwise dispose of the materials or any of them as he deems proper.

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

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 22. Page 832).

Mr. QUIRKE (Burra)—This Bill provides for the continuance of the Prices Act for another 12 months. I do not like, and never have liked, this type of legislation, because invariably whilst masquerading under the cloak of doing good to many it also does injury to some and in many respects it does injury to many people. We have had evidence that the boot repairing industry sought a price increase, and that this was granted three months after the application was made. If that increase were warranted, there was an injustice to these people extending over three months that they were unable to recoup. That sort of thing is inevitable in this type of legislation, and it is one of the fundamental features that I dislike.

We extend this legislation from year to year, ostensibly with the idea of one day not extending it and allowing it to go out of existence. I find that under our present condition of things I have to support this legislation, but I do it with a very bad grace indeed, because whilst certain items, particularly food and clothing, are controlled, so many other necessities in the present-day home are uncontrolled, and no attempt is made to control things that take vicious profits from the people who purchase these articles, many of which are necessary in every home. A tax is extracted by the Commonwealth Government on the very things that are the greatest boon in the home. We have no control over that, yet we are putting a few items of clothing and foodstuffs under control, and the things that take more from the householder in taxation alone, indirect in many cases, are not controlled. One Government is trying to institute a form of rigid price control on some articles, while the burden that people are carrying is in the main placed upon them by other Governments.

The member for West Torrens stated that profits, prices and wages are inseparable in their impact, and with that statement I think all members can agree. Wages are never a match for costs, and price control does not enable wages to meet prices at present. An attempt is made to control one thing and not the other. That form of legislation is only piecemeal legislation, as one type of it is attempting to offset the viciousness of another part. Plenty of most things are available to people today, and I think that competition in the ordinary necessities of life would be sufficient to keep prices down, because if the incomes of the people cannot sustain it there is a falling-off in the demand for any commodity and it automatically regulates itself. That has happened in all countries. We have a gradual upward increase in an inflationary spiral, but very little attempt, or none at all, is made to control that to meet the things that this legislation has no control over at all.

The whole thing is a hopeless muddle, and I think the position would be clarified if price control as we know it today were removed. Quite frankly, at present I am not prepared to do that. The Government in its wisdom knows or thinks that it is necessary to maintain the type of legislation that we have for another 12 months, and I accept its decision in that matter, but I hope the time is not far removed when we can get rid of it. We have items such as hire-purchase. A hire-purchase Bill is to be introduced, but I do not know what it proposes to do. The little the householder saves on household commodities such as foodstuffs is often mopped up by the rapacity of the charges made on one item under hire-purchase. That clearly indicates that the whole economic structure of this country in relation to the consumers is completely wrong and needs entire revision.

This legislation is only a patch placed on a paling fence. The whole economic structure of Australia is a white-anted structure that is likely to topple down and destroy us at any moment. Although we are going to implement legislation to do something about hire-purchase, will it control the charges made for the various articles? If a Government has price control on food and clothing it is fair and reasonable that it should limit the amount that can be taken off in profits in another direction. If we had the right form of competition, legislation would not be necessary to control either hire-purchase or anything else. Let us provide some competition for the organizations that today make pretty ruthless profits out of these things. I would enter into competition with them at a cheaper rate of interest, and that could be done in South Australia.

Mr. Hambour—That is being done by the State Bank.

Mr. QUIRKE—It is not being done by the State Bank.

Mr. Hambour—It would need millions to do what you suggest.

Mr. QUIRKE—The honourable member knows perfectly well what I would do, and I think he is only being facetious, so I will not take him up on that point. How does this pathetic measure that we have before us stand in relation to the position I have outlined? Does it do any real good, or is it only perpetuating an agonizing position for the consumer of these goods? One could speak all night on the ramifications of price control, but that is not necessary because this Bill only continues what we have for another 12 months.

I suggest that the Government seriously consider removing all items at present on the schedule of goods controlled with the proviso that any person who increases the price of a commodity shall immediately advise the Prices Commissioner setting forth his reason for so doing. At present if a price increase is justified the Commissioner grants it three to six months after the application is made. However, if the situation were reversed the onus of responsibility would be on the person selling the commodity. If the Commissioner were not satisfied that the increase was justified, or if the Commissioner were not notified of the increase, a heavy penalty could be provided. For instance, the offender could be fined the profit made on his total sales of that particular commodity and, if necessary, it could be given to the Children's Hospital. I think this suggestion could work. It could certainly be the first step towards the removal of price control which has many injustices inherent in it. It is a simple proposal and if there is anything complex in it I should like to know what it is. I do not like price control, because it cannot function without some injustice. The same applies to rent control. The sooner such legislation is removed the better it will be for everybody. If my suggestion were adopted it might remove the financial burden on the State in policing the legislation. I support the Bill in the hope that something may soon be done to remove this legislation from our Statute Books.

Mr. RALSTON (Mount Gambier)—In the early stages of this debate we heard an outstanding speech from the member for Light (Mr. Hambour) on the need for continuing price control. He revealed a comprehensive knowledge of this subject and the principles behind price control. Last year he made an equally good contribution and I commend him. In September we were subjected to a long discourse on the subject by the member for Mitcham (Mr. Millhouse) who debated at length the many odd reasons why he opposed this legislation. Let us examine one of these unusual reasons. He said:—

> Before I deal with the reasons that were drawn out of a hat by the Premier this year in support of the continuation of price control for another 12 months, may I say how disappointed and, indeed, surprised I was with the views expressed by the member for Burnside. She is a housewife and I have no doubt an efficient one, and she may be therefore pardoned for looking no further than her shopping basket to get some support for her contention that price control is necessary.

I can agree with him that the member for Burnside is no doubt an extremely efficient housewife: at the moment I should say that she is also a good member of Parliament. The member for Mitcham succeeded beyond his wildest dreams in proving only too clearly how far he is out of step with the honourable member as well as with practically all people in South Australia. The housewife, without question, is the keenest of all judges on the need for price control and the benefit it confers on people who, with limited incomes, must buy the necessities of life for the maintenance of the home and family.

I listened with great interest when the member for Mitcham questioned the qualifications of the member for Burnside to express opinions on the overall benefits deriving from price control. He said that her vision did not extend beyond the limits of her shopping basket. I suggest that members examine this legislation from the point of view of Mr. and Mrs. Everybody—the ordinary people of South Australia. What could be more important to them than the contents of a shopping basket? This household utensil has significance which over the years must have impressed itself indelibly on the mind of every honourable member because it is in each housewife's shopping basket that the goods essential to the needs of every home are placed by the greatest practical economist in this or any other country—the housewife. Remember, it is those goods essential to the welfare of the people that lend themselves most readily to exploitation. If the honourable member doubts this let me quote an extract from the Address in Reply speech of the member for Burnside last July.

The SPEAKER—The honourable member is out of order in referring to another debate in the present session.

Mr. RALSTON—Then I will not refer to it, but merely say that her contribution on the need to continue the principles of price control in this State was outstanding. There is no need to further labour this matter because it will meet with the support of most members. The assessment of price control by the member for Burnside, with which I agree, places beyond doubt the need to retain this legislation for basic commodities. I believe that it should be made a permanent measure instead of extending it from year to year.

The Hon. G. G. PEARSON secured the adjournment of the debate.

HALLETT COVE TO PORT STANVAC RAILWAY BILL.

The Hon. G. G. PEARSON (Minister of Works) 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 provide for the construction of a railway from Hallett Cove to Port Stanvac.

Motion carried.

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

ADJOURNMENT.

At 9.25 p.m. the House adjourned until Thursday, October 29, at 2 p.m.