HOUSE OF ASSEMBLY.

Wednesday, August 29, 1962.

The SPEAKER (Hon. T. C. Stott) took the Chair at 2 p.m. and read prayers.

QUESTIONS.

SCHOOL OVALS.

Mr. FRANK WALSH: Although I realize from the report given yesterday by the Minister of Education that expenditure on school ovals would be great, has the Minister considered whether a subsidy could be provided for their upkeep, perhaps on a 50/50 basis?

The Hon. Sir BADEN PATTINSON: I have considered the matter on several occasions and representations have been made to me by parent organizations and other bodies. I am certainly sympathetic, but there are many other claims upon the public purse. The Treasurer will introduce the Budget soon and, although generous provision will be made for the wants of the Education Department, the total sum for the department is necessarily limited and, if I spend too much of it on sport and recreation, the real purposes of education must go short. I shall be only too pleased to consider again the suggestion of the Leader and, if necessary, to discuss it with him.

SPRAYS.

The Hon. B. H. TEUSNER: Following on my question to the Minister of Agriculture of July 19, when I drew attention to the fact that the New South Wales Department of Agriculture had banned five cattle and sheep sprays—DDT, BHS, Dieldrin, Aldrin and Toxaphene—because of their deleterious effect on livestock, will the Minister say whether action has yet been taken in this State to ban these sprays?

The Hon. D. N. BROOKMAN: Broadly speaking, action is being taken to ban the use of several of those substances, but I would prefer to give details in the form of regulations or a report because I do not want to be misinterpreted as being inaccurate in the exact description of substances whose sale and use will be banned. The main purpose behind the regulations is to ensure that no substance deleterious to human beings will be found in the carcasses of meat animals. The problem is small in South Australia, where these types of dip are used infrequently; it is much greater in other places where the animals are dipped several times a year. Nevertheless, it can be shown that traces of these substances are found in animals and, as objection has been taken by the health authorities in various countries, action is being taken in accordance with the decision of the Agricultural Council to eventually prevent the use of these deleterious substances throughout the Commonwealth. I will bring down an exact description of the regulations as soon as I can.

COMMUNISM IN SCHOOLS.

Mr. HUTCHENS: An article on page 1 of today's *News* headed "School Inquiry Clears Five Reds" indicates that five teachers, whose names were supplied by the Returned Servicemen's League, have been investigated. The article vaguely suggests that they may be Communists but that they carry out their work scrupulously. Can the Minister of Education say whether there is any substance in this report, and can he say anything about the investigation?

The Hon. Sir BADEN PATTINSON: The honourable member has the advantage of me in that he is reading from a report he has seen but which I have not seen. Following statements made at the last congress of the R.S.L. I did ask whether the statements could be made in writing. The State President of the R.S.L. (Mr. Eastick) presented a statement in writing to the Premier and myself jointly. That was referred to the Director of Education who made an interim report to me in writing which I submitted to Cabinet and which was referred to the Premier. As far as I know it is still with the Premier and no final report has been made by the Director. He is still pursuing his investigations into the allegations concerning the five persons named, and some others who have since been named. As the honourable member has raised the question, and apparently it is in the newspaper, I can say that up to the present no evidence has been placed before the Director—and certainly none has been placed before me—that any of our 8,500 departmental teachers have used their positions in any way traitorously, seditiously, or disloyally, or in any way to indoctrinate any students. Considering that teachers comprise such a huge number of men and women who are drawn from all classes of life and are open to public inspection, to have such a small number alleged to have these beliefs—and to have none as far as we know who are betraying their trust—confirms the statement I made some weeks ago concerning my unbounded confidence in them.

CIVICS.

Mrs. STEELE: Since the weekend, press and television publicity has been given to the importance of a civics course in schools and

consequently much public interest has been stimulated. Students who have recently returned from attending schools in the United States of America for the past year have stressed the importance that is attached to courses in civics and American government in American schools. I understand that there at the senior level it is considered that the subjects included in such courses help students become better citizens and, indeed, in many instances students are required to undertake a course in civics or local government before they can qualify for a degree.

Further, honourable members are almost daily aware of the interest shown by students who visit this House for the purpose of seeing the State Parliament in operation. I have also found in my conversations with senior students a keenness for studying both Parliamentary and local government, and I think it is only natural that an understanding of the institutions by which our modern civilization is governed is desirable for the youth of today, who are indeed the citizens of tomorrow. The Minister of Education has also expressed his personal opinion on the desirability of a course in civics but there is some doubt as to which body should initiate it.

The SPEAKER: Order! The honourable member may not debate the question.

Mrs. STEELE: In view of a general desire that a civics course beyond Intermediate level should be included in school curricula, could steps be taken to initiate such a course?

The Hon. Sir BADEN PATTINSON: To answer the honourable member's question, steps could be taken but I have not the specific power to initiate such steps. Perhaps this will serve as a suitable opportunity for me to dispel a popular misconception that I control the courses of instruction in our schools and other institutions of learning. Actually, the Education Act provides that the Director of Education shall determine the courses of instruction for each branch of education in the public schools, and regulations made pursuant to the University of Adelaide Act provide for the appointment of the Public Examinations Board, which advises the University of Adelaide Council on matters relating to public examinations and recommends to the council the subjects and syllabuses of the examinations; also, it actually conducts the administrative work of the examinations and appoints the examiners. I do not complain of my lack of legal authority: in many ways I am rather pleased about it. The only authority or influence I have is by public statements here and elsewhere perhaps to mould public opinion on these matters. Maybe I have some powers of persuasion. But I firmly believe what I have already stated: that the subject of social studies or civics is immensely more important than some subjects which at present are taught in our schools and colleges to students merely for intellectual exercise, and which they promptly forget all about when the examinations are over.

I do not claim to be an expert on education: I am merely a layman looking on, but I have had experience of undergoing primary, secondary and tertiary education, and I have made an extensive and intensive study of adult education. Over the last nine years I have visited hundreds of our schools and colleges and have talked to literally thousands of students and parents. What I am about to say is probably debatable, controversial and provocative, but in my considered opinion there is a possible weakness in our system of secondary education, in that it is associated too closely with the prospect of the secondary students' ultimately undergoing a degree course of study at the University of Adelaide or the Institute of Technology, whereas only a very small proportion of them do so, from lack of opportunity, inclination, ability or aptitude.

At present there are more than 58,000 students in the secondary classes of our departmental schools and independent schools and colleges, whereas only about 5,800 (one-tenth of that number) are undergoing degree courses at either the university or the institute. The vast majority of them, for the reasons I have stated, will not carry on with these more advanced studies. It seems to me that we could well mould some portion of our secondary education so that it would be a broadly based and well rounded course of education that would be an end in itself and not merely a means to further academic study that would not be pursued by the great majority of the secondary students.

TRAMWAYS TRUST.

Mr. JENNINGS: As the Minister of Works, who in this House answers questions about the Municipal Tramways Trust, well knows, the operations of the trust are somewhat restricted by the original Act because the trust can operate only in prescribed areas. This has the effect of limiting its operations to the recognized metropolitan area, whereas of

recent years around the northern perimeter of my electorate new suburbs have grown up where the Tramways Trust, under its present Act, cannot operate. This means that these areas are left with no public transport whatever except where, in some cases, there happens to be a railway, and, in other cases, only very inadequate transport. I do not know whether the Tramways Trust would be interested in extending its activities into these areas. Will the Minister consider taking up this matter with the Tramways Trust with a view, if it is found desirable, to altering the Act to allow the trust to extend its activities into these fringe areas that I have been describing?

The Hon. G. G. PEARSON: From time to time the trust has suggested extending its routes into various newly occupied areas that have become more intensively occupied with the passage of time, but some problems have arisen. I do not debate the question with the honourable member because he knows his own district, but some districts are being well served by private operators who operate under a licence from the Tramways Trust and who, apparently, render good service to the people concerned. I say that because, on several occasions when the trust has suggested extending its routes, we have had strong representations from members of the public, and indeed from members of this Chamber, suggesting not that the trust extend its route but that the licensed operator be permitted to continue to give the service, and that request and those representations have been supported strenuously in several cases by residents of the areas concerned. The trust, I am sure, is alive to its responsibilities to provide a service, and this Parliament is alive to that responsibility because we have from time to time voted considerable sums to support public transport, which is designed to be efficient and to run as economically as possible for the passengers.

The trust is to be commended, if I may say so, on these two counts alone. It has been able to re-organize its operations from its very parlous economic position of some years ago when it was reconstituted until today it virtually carries on under its own steam without any real subsidy from Parliament. Yet it has been able to maintain its fares at a very favourable rate indeed, particularly in comparison with similar transport services in other parts of the world. This gives me the opportunity to say what has been said before, namely, that I believe the Chairman and the board of the trust are to be sincerely commended for the quality and cost of the service they have provided.

Mr. Lawn: You aren't answering the question. You're taking up the time of answers to two questions.

The SPEAKER: Order!

The Hon. G. G. PEARSON: Last week I was endeavouring to answer a question asked by a member opposite and the member for Adelaide rudely interrupted. If that is to be his continued policy I will know what attitude to adopt.

Mr. Lawn: Answer the question.

The Hon. G. G. PEARSON: I am endeavouring to do so.

The SPEAKER: Order! The Minister will take his seat. Under the Standing Orders, during question time members are expected to confine their question to the relevant matters, and actually the same applies to Ministers, in a little wider sense. Under Standing Orders, Ministers are not expected to widen the scope of their answers beyond the questions asked, and I ask the Minister to keep within the Standing Orders.

The Hon. G. G. PEARSON: Well, Mr. Speaker, unfortunately that means that members will not have the type of information I thought they would be glad to have. However, I accept your ruling, and I would say to the member for Enfield that if he has any specific area which has not a service at present and which desires one, if he will confine his question to some specific matter I will examine it. The honourable member asked his question in very general terms and therefore I was obliged to answer it in similar terms.

Mr. Jennings: The question was whether you would take the matter up with the Tramways Trust.

The Hon. G. G. PEARSON: I am not proposing to widen this matter. If the honourable member will supply details of any specific area that lacks a service and desires one, then I will take the matter up with the General Manager of the trust and see what can be done about it.

MILE POSTS.

Mr. HEASLIP: During my trip along the Port Wakefield, Snowtown, and Crystal Brook road last weekend I noticed that at every mile there was a post stating the distance already travelled and the distance to be travelled. These mile posts were common in the horse and buggy days, when they were of

great assistance, but with the modern transport we have today, with speedometers on every vehicle, road signs, and with road maps readily available, they do not seem necessary. Can the Minister of Works, representing the Minister of Roads, say whether the money spent on these thousands of mile posts and their maintenance would not be better used on the roads themselves?

The Hon. G. G. PEARSON: The cost of the mile posts is very small. From letters I have seen in the press and from comments I have heard, I understood that provision of mile posts was desired as a matter of interest to the travelling public, particularly people who are strangers to our roads in this State and who may be visiting here infrequently or for the first time. I will take the matter up with my colleague and ask for his report thereon.

FLUORIDATION.

Mr. TAPPING: On August 14 the members for Torrens and Hindmarsh asked questions of the Minister of Works concerning fluoridation in this State. In reply, the Minister said he would have this matter investigated and bring down a report eventually. I understand that Mr. Dridan, who is at present overseas, is investigating this matter. As a layman, I have no set ideas regarding this complex matter, but I consider it my duty to read the following letter, which I received recently from two of my constituents at Semaphore:

I wish to request that you will not favour the pollution of our drinking water with fluoride. If it were added how could the people, who didn't want to take it, avoid it? Only by drinking tank water. Even then it will have been sprayed on all their food. What about the poor people who may be allergic to it? They could move into the country if they are rich; if they are poor it would be a nerve-racking business. The scientists made guinea pigs of pregnant women with their abnormal-baby drugs. Are we all to be guinea pigs with this fluoridation racket? Who can foresee the future effects of such a poison?

Will the Minister have the foregoing contention considered when preparing a report on fluoridation?

The Hon. G. G. PEARSON: Over the last few years I have had literally hundred of letters similar to the one the honourable member has quoted. I have had reams, almost barrow loads, of literature sent to me; the Minister of Health has had similar attention from people all over the State; and I believe the Premier also has received letters on the same subject. As the Minister responsible for water supplies, all I can say is that the technical information regarding this project is still being considered by the Engineering and Water Supply Department and that the Government has not decided whether fluoride should be added to water in this State.

HACKNEY BRIDGE.

Mr. COUMBE: I have recently asked several questions regarding the proposal to reconstruct the Hackney bridge. Has the Minister of Works a reply?

The Hon. G. G. PEARSON: Yes. My colleague, the Minister of Roads, advises that sub-surface investigations are in hand and design work is progressing for the duplication of the existing bridge. Present planning provides for a start to be made this financial year.

WALLAROO HARBOUR.

Mr. HUGHES: I understand that the Minister of Marine has a reply to my questions regarding the deepening of berths and the channel at Wallaroo harbour and the provision of a swinging basin.

The Hon. G. G. PEARSON: I shall have to be very careful not to transgress Standing Orders in answering this question. Summarizing the report, I can say that the Harbors Board's engineers have thoroughly investigated the problem of deepening Wallaroo harbour, both as to the approaches and the swinging basin. A report that I saw yesterday indicates that in order to deepen the approach channel some 107,000 cubic yards of sea-bed would need to be removed. That would provide an approach some 12,500ft. long by 250ft. wide to a depth of 28ft. at low water, which is the recommended appropriate depth. In the swinging basin, 186,000 cubic yards would need to be moved to give a depth of 28ft. at low water. For Nos. 1 and 2 north berths and No. 1 south berth 31,000 cubic yards would have to be moved, and that would provide a berthing depth of 31ft. at low water. Ten new beacons would be required, and it would be necessary to remove two others to a new site. When the work is completed—if it is to proceed—it will enable vessels drawing 30ft. when laden to move out through the channel on a 4ft. tide. That is the gist of the report. That report has not yet been considered in any detail by myself, nor has it been to Cabinet. I will in due course take it to Cabinet for Cabinet's consideration regarding its reference to the Public Works Committee.

DESALINATION.

Mr. LAUCKE: An excellent and timely article written by Mr. Hal Bannister, headed "Water is Key to South Australia's Growth", appeared in this morning's *Advertiser*. In this article, *inter alia*, reference was made to desalination, the writer saying that it was only a matter of time before the gap between known and proven technique and economic application in respect of desalination was closed. This State has perhaps a greater need for exploring and ultimately exploiting every possible source of water than has any other country in the world. Is the Minister of Works, as a matter of policy, keeping in touch with overseas policy regarding desalination?

The Hon. G. G. PEARSON: The short answer is "yes", but I should like to add that Mr. Dridan is actively investigating the matter and has already visited four or five desalination plants constructed by and working under the United States Authority on Saline Waters. He has pointed out that some are functioning fairly satisfactorily. The overriding problem at present is the encrustation of solids, which collect in the distillation mechanism. Urgent attempts are being made to solve that problem and, if that can be achieved, some real major progress will have been made. There are other methods of doing the job. The problem is all wrapped up in economics. An important point is the supply of energy at a cheap rate. Other difficulties on the economic side can be overcome if that can be satisfactorily resolved, but unfortunately at most of the places where such plants are required energy is not available at a cheap rate. Technically, many difficulties have been overcome, and, economically, the gap is closing.

BETHLEHEM HOMES INCORPORATED.

Mr. DUNSTAN: In a debate in this House earlier this year I mentioned the granting of a licence under the Collections for Charitable Purposes Act to Bethlehem Homes Incorporated. This licence has been held up for a considerable period, and I have been informed that one of the homes bought for Bethlehem Homes Inc. will be sold by the mortgagees since there has been so great a delay in the granting of a licence under the Act, and that the project of establishing Bethlehem Homes Inc. seems to be tied up for so long. Will the Premier say what progress is being made in the investigations regarding this licence, as this has gone on for a long period and it now seems that the whole thing may fall through simply because the investigation has taken so long?

The Hon. Sir THOMAS PLAYFORD: Under the provisions of the Collections for Charitable Purposes Act, an advisory committee has to approve of all approaches to the public for collections for charitable purposes. This matter was referred to the committee, but I believe it has not given its consent. I have seen a report about this matter and, if my memory is correct, the honourable member raised the matter previously in this House. At that time I had a report in my bag for several days but, as it was not asked for, I did not keep it there. I do not think it is there now, but it has been prepared and is readily available.

BALAKLAVA RAILWAY CROSSING.

Mr. HALL: During the harvesting of grain a problem arises in the transport of bulk grain on the western side of the Balaklava township. At present, trucks have to traverse a main road passing through the town to reach the silo, whereas a much more suitable road would be available if an extra railway crossing were installed on the line from Balaklava to Bowmans. The local council earlier this year approached the Railways Commissioner, who refused to co-operate, saying that the cost was too great; I think it was about £600. This crossing is needed because this grain is being and will be carried on the railway. The council considers that a more reasonable attitude could be adopted in the provision of this crossing. As it would have to meet the considerable cost of preparing the road leading to this crossing on both sides of the line, it considers that it would be unfair for it to have to bear the cost of the crossing. Will the Minister of Works ask the Minister of Railways for a report on why the Railways Commissioner cannot co-operate in this matter, which would be advantageous to the district and would help in the carriage of grain on the railway?

The Hon. G. G. PEARSON: I will direct the question to my colleague.

SULPHUR FUMES.

Mr. McKEE: Has the Premier obtained a report in reply to a question I asked on August 15 about the medical examination of employees at the Broken Hill Associated Smelters at Port Pirie?

The Hon. Sir THOMAS PLAYFORD: The Director-General of Public Health reports:

1. The board has examined one man in the past year. He was not found to be affected by lead to an extent requiring cessation or change of employment.
2. Regular examination of employees is not made by the board. That is not its function. The board's function is to examine individuals who claim industrial injury or disease, and whose claim is disputed. To receive treatment under the Workmen's Compensation Act for an industrial disease, the worker must be disabled from earning full wages at the work for which he was employed.
3. Any fall-out of lead and arsenic has not been measured.

PENOLA HIGH SCHOOL.

Mr. HARDING: I am pleased that work on the fine high school now being built at Penola is ahead of schedule and that it is expected to open in the first term of 1963. I have also been informed by the Minister of Works that the water reticulation scheme now being installed at Penola will not be finished until the summer of 1963-64. Will the Minister of Education say what arrangements will be made for a water supply for this school when it opens in 1963 pending the completion of a water reticulation scheme for the town of Penola?

The Hon. Sir BADEN PATTINSON: It gives me much pleasure to confirm the statement that this fine work is ahead of schedule and to confirm the honourable member's anticipation that, because of the rate of progress, the school will be ready for occupation in February, 1963. The permanent work for the water supply cannot be done in that time, but a temporary water supply for the school has been provided for by the installation of temporary pumping equipment by the Mines Department in the existing bore located in the corner of the school grounds. This bore will form part of the overall scheme for a water supply for Penola proposed by the Engineering and Water Supply Department, and the above arrangement was made with the concurrence of that department pending the completion of its work.

WEST BEACH RECREATION RESERVE.

Mr. FRED WALSH: According to a report in this morning's *Advertiser* the West Torrens council last night was told that private enterprise had offered to build one of the country's most modern motels, a restaurant, swimming pool and entertainment area at the West Beach Recreation Reserve. The project was estimated to cost £250,000. A councillor said that he was appalled at the lack of interest taken by many people in the area. The Mayor urged any West Torrens sporting body which needed playing areas to apply for space at the reserve before it was too late. I believe that this proposal would be an encroachment on what was originally intended by Parliament when the West Beach Recreation Reserve Trust was established. I was at the conference when the proposal was first sumitted and know what the Premier had in mind and what he told the deputation. I regret that the Henley and Grange Council did not participate in that conference. Will the Premier ascertain from the Chairman of the trust what negotiations, if any, have taken place regarding this project, and can he say whether the proposal in any way conflicts with the provisions of sections 33, 34 and 35 of the West Beach Recreation Reserve Act?

The Hon. Sir THOMAS PLAYFORD: I will inquire for the honourable member. No doubt the project would be desirable, but I have always doubted whether recreation areas should be alienated for special purposes. In this case, as the council itself has control over the matter, and as the Chairman of the trust is an independent chairman, I have not taken any action. As a matter of interest, a similar project was brought to my notice this morning and I then informed the authority concerned that, as far as I could see, the area was dedicated by Parliament for recreation purposes and that any alienation of it would not be approved by Parliament. I think the trust has some powers to lease under its dedication, but I will find out and let the honourable member know.

WILPENA CHALET.

Mr. CASEY: I understand that the Premier has a reply to my recent question about toilet facilities at Wilpena Pound and the road linking the Blinman road with the chalet.

The Hon. Sir THOMAS PLAYFORD: Yes. The position is much as I had surmised. Mr. Pollnitz reports:

It is expected that the new toilet block at the Wilpena caravan park will be completed by 24/8/62.

That, of course, was five days ago. The report continues:

Provision has been made on the 1962-63 Estimates for the construction of another building to include hot and cold showers and a laundry. This building will be completed before the May school holidays in 1963. The Engineering and Water Supply Department has commenced work on improving the road into the chalet from the main Hawker-Blinman

road and also from the chalet towards Wilpena Pound. I am informed that this repair work will continue this week.

BOOK SALESMEN.

Mr. LOVEDAY: On August 21, in reply to a question I asked about the activities of book salesmen, the Minister of Education said that in some cases that had been investigated contracts had been cancelled and refunds made. The Minister expressed the opinion that the group concerned was clearly evading the provisions of the Act passed by Parliament. In view of the long experience that we have had of the activities of book salesmen and the fact that although the Act was amended the situation persists, will the Minister ask the Attorney-General to take positive action in one or two cases in order to try to prevent these activities in future?

The Hon. Sir BADEN PATTINSON: I shall be pleased to submit this in the form of a question to my colleague, because he is in charge of the legal administration of the State. I will ask him for advice as to whether he considers, or his officers consider, that sufficient evidence exists in the given cases to ensure a successful prosecution. The honourable member will recall that when I said that in my opinion there was a clear evasion of the Act, I made the proviso that in that context I was speaking as a layman and not as a lawyer. The fact remains that on those occasions the Attorney-General obtained the assistance of police officers and as a result of their interviews with the salesmen the company concerned cancelled contracts and made refunds. I suggest it did so to avoid prosecution. I do not think that that state of affairs should continue, because Parliament gave much consideration to this matter, after complaints had been made here and elsewhere over a period of years, and passed legislation. If there are clear evasions of it I think it would be in the best interests of the State if some of these book salesmen were brought to book.

SUGAR CONCESSION COMMITTEE.

Mr. BYWATERS: Yesterday I asked a question about the Fruit Industry Sugar Concession Committee and, as a result of a report in the press of that question and the Premier's answer, this morning I received two phone calls from fruit canners who expressed pleasure at the Premier's saying that the Government would be anxious to give the canning industry every assistance to carry on. These men were particularly concerned with the rebate on the sugar concession. One man said that he was expected to pay back £2,500 by the third week of September. The other man told me that he had not yet claimed because he did not think he should claim in view of the fact that he could not pay, and he has lost £400 through this. They suggest that if any support is given by the Government it should not be given to one particular firm but to the industry as a whole. They believe that some preference has perhaps been shown to a new industry which has come to this State and which has received some Government guarantee. They feel that they are being left out. In view of the question I asked the Premier recently about the Government's calling the canners and representatives of the fruitgrowing industry together in conference to try to overcome some of the problems associated with the industry, particularly in relation to price cutting, will the Premier further consider this suggestion to see whether some solidarity can be given to the industry?

The Hon. Sir THOMAS PLAYFORD: The question of the sugar concession is outside this State's jurisdiction. It is under the control of a committee appointed by the Commonwealth Government in the interests of certain sections of the industry. My complaint is that possibly this committee has been rather Victorian-minded in its decisions. The committee is almost entirely composed of people from Victoria, and I have always felt that its decisions have been prompted a little by the welfare of the industry in Victoria and perhaps not so much by the welfare of the industry in other States. I have taken this matter up with the Commonwealth Government over a period of years but have never got much satisfaction.

I do not dispute the basic idea of the protection of the fruit industry. That is something that I, as a fruitgrower, can readily subscribe to as being of value to the industry. I have felt in the past that, in fixing the prices of various types of fruit, the sugar concession committee has not always regarded the interest of the South Australian industry as paramount. As regards a conference between the various sections of the industry in this State, the Government can deal with people only on an individual basis. Some canneries need no assistance; some have been going for many years with no State assistance, and they require none. They carry on their business in the ordinary way. Other canneries have made applications that have been referred to the Industries Development Committee, so there is no basis for a discussion with the industry as a whole. But I am happy

at any time to go into the problems of any particular cannery, always upon the understanding that it is not my job to recommend to Parliament or to the Industries Development Committee an undertaking which, on examination by my officers, cannot be supported as having a reasonable chance of success. Within that limitation, however, I am happy at any time to examine particular problems. In fact, we have had more regard to this industry than any other industry in trying to provide assistance.

COOMANDOOK SIDING.

Mr. NANKIVELL: Will the Minister of Works ask his colleague, the Minister of Railways, to consider improving facilities for unloading and trucking cattle at the Coomandook railway siding?

The Hon. G. G. PEARSON: Yes.

PORT GAWLER BORE.

Mr. HALL: Has the Premier an answer to my recent question about a bore sunk in the Port Gawler area?

The Hon. Sir THOMAS PLAYFORD: As the honourable member knows, a test bore has been put down by the Mines Department. It will, I believe, be some time before the department can give accurate information on the behaviour of the water basin in that area. As a result of the action taken, we shall, I think, be able to provide full reports on the value of pumping and the extent to which it may be undertaken in that area. I will see that the honourable member gets a report as soon as possible.

DEQUETTEVILLE TERRACE TRAFFIC LIGHTS.

Mrs. STEELE: Has the Minister of Works a reply to my recent question about the installation of traffic lights at the intersection of Dequetteville Terrace, Bartels Road and Flinders Street (Kent Town)?

The Hon. G. G. PEARSON: My colleague, the Minister of Roads, states that the Road Traffic Board has not considered the installation of traffic lights at the intersection of Dequetteville Terrace, Bartels Road and Flinders Street, Kent Town. The Commissioner of Highways did consider the matter in February, 1959, and advised the City of Kensington and Norwood that traffic lights would be the only satisfactory solution to the problems at this site. The council was further advised that the responsibility of providing lights would be that of the council. The Road Traffic Board is prepared to consider the provision of lights at this site upon request from the council.

MARGARINE QUOTAS.

Mr. HARDING: My question arises from the recent Agricultural Council meeting in Perth at which was discussed the policing of margarine quotas. Mr. Adermann (Minister for Primary Industry) spoke on the difficulties of States' legislating on this and it was resolved at the meeting that the States should bring down legislation on this matter. Has the notice of the Minister of Agriculture been drawn to this and, if so, does the Government intend to bring down appropriate legislation?

The Hon. D. N. BROOKMAN: The State recently amended the regulations relating to margarine. It is not proposed at the moment to alter any of our State legislation, as it seems to be adequate to achieve the purpose for which it was intended. Unfortunately, that does not seem to be the case with some other States and, while South Australia has held strictly to its quota of the production of table margarine, over the years the position has slipped from time to time, and to a major degree, in some other States. The question now arises whether the present legislation is effective. I can only say that conferences on this matter have been held and the South Australian legislation has helped other States considerably. We here do not intend to introduce an amending Bill at present.

QUESTIONS AND ANSWERS.

The SPEAKER: I wish to clarify the position concerning answers given by Ministers to questions. I make it perfectly clear so that there will be no misunderstanding by members and Ministers. Under the Standing Orders the practice of this House has been that the member asking a question is soliciting information from a Minister. The Minister in reply is expected to give that information. I do not wish to curb Ministers in any way because giving the information to members helps not only the member asking the question but the House in general. The Minister, under Standing Orders, has a special privilege that is denied other members: if he wishes to make a statement he may make that statement as a Ministerial statement. However, a Minister is going a little beyond Standing Orders if he introduces an opinion or controversial matter although it may be from a new angle. In so doing he is transgressing Standing Orders, but I do not wish the Ministers to be curbed in any way in giving answers to questions.

MAINTENANCE ACT AMENDMENT BILL.

Mr. FRANK WALSH (Leader of the Opposition) obtained leave and introduced a Bill for an Act to amend the Maintenance Act, 1926-1958, and for other purposes. Read a first time.

Mr. FRANK WALSH: I move:

That this Bill be now read a second time.

I thank members for the courtesy they have extended me in enabling me to proceed with the second reading explanation today.

The initial provisions of this Bill are to alter the nature of the administration of children's welfare and public relief in South Australia. At the moment, the administration is conducted by the Children's Welfare and Public Relief Board. This board is comprised of a full-time Chairman and eight members who are only part-time citizens who meet and come to conclusions and are required to administer the Act. The Labor Party believes that this form of administration is not in the best interests of the people of this State. Under it, a Government such as this one, which seeks to avoid its social services obligations, can shelter behind the board and pretend that the policy adopted by the board is not the responsibility of government.

In consequence, the department is not properly answerable to Parliament. The Minister avoids answering to the House for what the board does, but merely relates the replies by the board to the House when questioned. This has resulted in ineffective Parliamentary control of essential social services. Since the Second World War this State has spent considerably less per capita than any other State. In order to try to justify this unsatisfactory state of affairs, the Premier has said on occasions that South Australia has been content for some time to put up with a rather inferior standard of social services in order to spend money on development. The Government may wish to overcommit the State on developmental projects for propaganda purposes, but I can assure members opposite that developmental programmes provide very little consolation indeed for people in necessitous circumstances.

The Children's Welfare and Public Relief Board is deficient in its policies on public relief. It has been unable to provide adequate advisory assistance to deserted wives and children for the prosecution of their claims for maintenance, and the delays on this score now are extraordinarily long and cause great hardship to many of these unfortunate people. Outside the metropolitan area, inadequate provision is made for the protection of neglected children, and many country members have had to complain about the inactivity of the board in regard to this matter. The long and confused story of the delays with respect to provision of adequate boys' reform institutions is another example of where remedial action is essential. We still have insufficient satisfactory institutions of this kind despite the fact that there has been a continued public outcry for more than a decade. The Labor Party believes that the Minister should accept full responsibility for the department, and therefore the Bill provides that there shall be a Minister of Social Welfare who shall carry out the present functions of the board. There shall be an administrative head of the department, namely, a Director who will be responsible to the Minister for the conduct of the department and who may in certain circumstances perform certain of the functions of the Minister, and there shall be a Social Welfare Advisory Council which shall advise the Minister on any reform desirable, and shall report to the Minister on any allied matter which he refers to it. Clauses 3 to 6 and the schedule of consequential alterations provide for these administrative changes.

Clauses 7, 8 and 9 deal with the manner of affording public relief. At the moment, there are two forms of public relief available—either relief generally to any persons in necessitous circumstances, or relief to the female parents or guardians of children without sufficient support. As to the first, it is proposed that the manner and conditions of payment and supply of relief shall be set forth in regulations, and the Minister shall pay the relief as prescribed. By this means members will know clearly the conditions under which relief is to be given and will be able to control policy. Clause 8 provides that it shall not be sufficient merely to show to the court in making an application to the court for repayment of public relief that the person required to repay the relief is in a financial position to make such repayment. It may, of course, be very unfair that that person should have to make repayment and, in consequence, a further clause has been inserted that the court should only order the repayment of public relief where special circumstances exist which would make repayment desirable.

Clause 9 refers to relief where there are children without means of support. The Acts in other States do not confine this form of relief to the female custodians of poor children, and there seems no good reason to do so.

Therefore, the proposed new Section 27 provides that relief may be given to any parent or other individual person who has the care and custody of any child and is without sufficient means of support for that child and has been unable to obtain means of support for the child. Provision is then made for application to the Director for such relief, and investigation by the Director of the application. The Director has then to report on the application to the Minister who may then grant it, as he thinks fit. Subject to a direction in writing by the Minister, the payment of relief may be discontinued, suspended, increased or reduced.

The maximum rates for assistance are in future to be fixed not by the Act but by regulation. An entirely new clause will allow an appeal to a special magistrate regarding any decision of the Minister relating to the public relief, and the magistrate may make an order either confirming or altering the Minister's decision. It is, in our view, vital that this right of appeal be given because under the present administration the decisions that have been taken concerning public relief have, in some cases, imposed very severe hardship and suffering. When people have been refused relief because of some small assistance to them by a friend by way of *ex gratia* allowance or gift of food to poor people, then it is clear that there must be some unbiased arbitrator to whom a person on relief may appeal in the event of either a too stringent or inhuman administration of the Act.

New section 36 provides specifically that, while entitlement to social service payment or pension by the Commonwealth may be taken into account in assessing an applicant's means, account is not to be taken of gifts of food or the loan of household goods or chattels to an applicant for relief. New section 38 provides that the Minister shall not deduct from moneys in his hands received as payments for maintenance for any person any sum or sums as repayment to the Minister of public relief, except when authorized to do so by the order of a court of summary jurisdiction, which will not be able to make any such order unless the means of the person in question will allow the deduction to be made without hardship. The present administration is too severe when women who are in receipt of periodic maintenance payments on a court order have moneys deducted from those maintenance payments for repayment of public relief, and when, in fact, the amount of the maintenance payment itself is insufficient to allow them to keep themselves and their children in reasonable decency and comfort.

Clause 11 provides for a new section 61 (*a*) under which a defendant in an affiliation case may request the taking of blood tests of himself, the mother and the child in order to establish whether the characteristics of their respective bloods are inconsistent with the allegation that he is the true father. At the moment, in South Australia, blood tests cannot be ordered by the court. Some other States have provided that the court may order blood tests, and indeed in New South Wales any previous affiliation cases may be re-opened and blood tests taken. The mother is not forced to take a blood test, but she will be unable to proceed with her complaint unless she consents to the blood test if it is requested by the defendant and directed by the court. A blood test cannot prove paternity, but it may disprove it, and there seems no good reason why innocent defendants should have affiliation orders made against them when evidence disproving paternity is so readily available. Under the provisions of the principal Act, the defendant in a paternity case is placed in a particularly difficult position as far as proof is concerned, and the protection provided by this clause is the method that has been widely accepted elsewhere.

Under clause 12, new section 79 (*a*) provides that orders may be made by a court of summary jurisdiction attaching the earnings of a defendant to satisfy any order for periodic payment of maintenance. This provision already exists in the Commonwealth Matrimonial Causes Act, and it has been asked for by the courts and by social workers in South Australia for a long time. While court orders attaching wages for debt should not be encouraged, I can see no reason why a man who is prepared to deny maintenance for those properly dependent upon him should not have his earnings attached in accordance with the provisions of clause 12.

Clause 13 is a consequential amendment. Clauses 14 and 15 also provide something for which the courts have been asking for many years. As the law now stands, where a magistrate sends a child to an institution for any crime, the child must be committed until he reaches the age of 18 years. For example, if a boy aged 13 is sent to the reformatory for a second offence of stealing money from milk cans, his penalty, unless the board in its discretion chooses to release him, is confinement

in the institution for five years. Many magistrates have pointed out that it is desirable that they should be given the discretion to commit offenders for lesser periods, and this desirable improvement is covered by clauses 14 and 15. The remainder of the clauses and the provisions of the schedules are consequential amendments. Reform of the administration of this department and of the provisions of the Maintenance Act is very long overdue.

In commending this Bill to the House, I assure members that much time and effort has been spent in preparing it. Many phases of this matter could be elaborated at length, but I consider that I have given a reasonable explanation of the Bill's provisions. All members know that hard cases occur from time to time, and it is almost unbelievable that they should exist. One does not have to go far afield to know that the unfortunate aspect of many cases is that often a mother is left to her own resources because the breadwinner has committed some misdemeanour and is serving a sentence. Her first approach is to the Children's Welfare and Public Relief Department but, if she lives outside the metropolitan area, the local police officer has to investigate and report to the department. As a result of such investigation, before long a story is circulating around the town and the woman is a victim of circumstances. This has happened often in the past and, human nature being what it is, it will happen again because until we can alter human nature we will not make any progress. I believe this Bill gives much scope for members to obtain further information and to draw on their own experiences in these matters.

The Hon. Sir BADEN PATTINSON secured the adjournment of the debate.

LAND VALUES ASSESSMENTS.

Mr. FRANK WALSH (Leader of the Opposition): I move:

That a Select Committee of the House be appointed to inquire into and report on—

(*a*) the method of assessing agricultural land and any other land for the purposes of paying land tax, council rates, water rates, and probate;

(*b*) whether the Local Government Act should be amended to enable district councils to assess and rate land used as agricultural land as distinct from land used for subdivisional purposes; and

(*c*) whether the definition of unimproved value of land in the Land Tax Act should be amended to provide for the assessment of land for agricultural purposes.

In moving this motion I emphasize that I attach great importance to paragraph (*c*). Under the principal Act valuators must pay regard to the definition of "unimproved value" which is, in part, as follows:

"Unimproved value" of any land means the capital amount for which the fee simple of that land might be expected to sell if free from encumbrances.

The definition does not state whether it relates to agricultural land or otherwise. Although our metropolitan area is expanding, we have land within 10 miles of the General Post Office that is used for primary production. That situation is apparent if one drives out along the North-East Road. One can see subdivisions taking place alongside farm lands. People will pay fantastic prices for blocks of land in the Adelaide Hills if the area is serviced with water, sewerage and electricity. While that position obtains one must expect land to be subdivided. However, how can an assessor assess land in the vicinity of these subdivisions? He must determine the price for which the land could sell. If nothing else in the motion commends itself to members, the suggestion contained in paragraph (*c*) should receive their support. I can recall when some of the best celery in Australia was grown in that area just off the North-East Road beyond the Torrens River. However, houses have been erected on that land and consequently this has meant a reduction in the number of people employed in primary production.

The proposed Select Committee is to examine the method of assessing agricultural land and any other land for the purposes of paying land tax, council rates, water rates, and probate. The Act provides that a valuation shall be made every five years. It is all very well to say that the unimproved value applies so far as some council rates are concerned, but land tax does have a material effect on all council rates. We need not deny this. Metropolitan council assessments have increased approximately 20 per cent this year, thus reflecting the increased land tax assessment of last year. The rate in the pound has been reduced (and rightly so) with an inflated valuation, because of the system under which the assessors have to assess the value of land for this purpose.

I play second fiddle to nobody in saying what I consider should be the policy followed in assessing on the basis of unimproved values. As an example, within a certain radius from the city it would be desirable to introduce something to discourage the subdivision of land until essential services were provided. The councils normally are responsible for what?

They should be responsible for the roads, footpaths, kerbs, and guttering; they should provide for street lighting, garbage collection, local board of health matters, Red Cross organizations, and so forth. These services still have to be provided irrespective of whether there are vacant allotments within the area, and therefore vacant land does not tend to reduce the total rates payable by the ratepayers in a locality. Admittedly, there may be some charge for vacant land but, unless the system of unimproved rating is in operation, the rates levied on vacant land are disproportionately light, and we have the encouragement of holding vacant land for speculation.

How often do we see subdivisions taking place where only a few scattered houses will be erected? People who build in those subdivisions become the pioneers there. Always a certain amount of speculation takes place when land is subdivided. Some people buy land merely for speculative purposes, but the pioneer entering a new subdivision desires a water supply. He tries to get the assistance of his neighbours in this. As soon as the subdivision takes place and the water main is laid, there should be equal contributions from the speculator and from those who desire to develop. Some people say that that would impose a hardship, but there are subdivided areas of land now on which there will be in the next 10 years no attempt to build houses. Again, some people say we have reached saturation point, but, had it not been for the credit squeeze, that position would have continued, and not to the advantage of South Australia.

Although the Government is attempting to make some alterations to the Land Tax Act, it has failed in its obligation; it has got away from the real principles of the Act. It should have included agricultural or primary production land, by definition. Had those things been considered and the basis of what we meant by the system of unimproved rating been maintained, there would not have been so many escape provisions in the Act. I do not agree with what was done on the last occasion. Four months ago I said that the average increase in the metropolitan area was 189 per cent over a five-year period, whereas the Treasurer said it was only 40 per cent. So it was an increase of about 38 per cent annually for five years, but it was the five years in one fell swoop, and not annually. Lest it be said that I have made no provision for the appointment of the members of this committee, I point out that it was not much use doing so until we knew whether the motion would be carried. It may also be said that there would be stated no time in which to bring in a report. However, both these matters will come in as subsequent motions, with the permission of the House, if this motion is carried; if it is not carried, it will not be necessary to appoint a committee. I believe that you, Sir, and the House would agree that there is so much merit in this motion that it should be carried, and I have much pleasure in moving it.

The Hon. Sir THOMAS PLAYFORD secured the adjournment of the debate.

HIRE-PURCHASE AGREEMENTS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 22. Page 640.)

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer): This Bill has some complications in that we are dealing with trade practices that are well known to people associated with the trade but are not matters which honourable members come in contact with from day to day. Therefore, I approach the Bill with reservations because at present it is extremely desirable not to place new hurdles or restrictions in the way of trade or the expansion of business. I think honourable members realize that since the credit squeeze there has not been that expansion of trade and expansion of marketing that is desirable from the point of view of not only providing greater employment but also allowing the factories to get back to their full productive capacity.

I have considerable doubt whether I know the full implications of the Leader's Bill. I have strong reason to believe that at this moment we have set out to expand business and trade and to try to increase the volume and velocity of our production so as to provide greater economic recovery. I also point out that generally speaking no matter how much we vary the form of this type of legislation we are frequently outwitted by people who find new ways of overcoming what has been provided. As a matter of interest, I know that one of the hire-purchase companies about which I hear most criticism, some of it justified, is an undertaking which many members would support as eminently fair and proper.

There are so many ways people can overcome the restrictions placed on them by law by altering margins and methods that I have some doubts whether the provisions we have already passed are completely successful, and I further doubt whether the amendment of the Leader will achieve any great success.

Under those circumstances, I shall make available to the House two reports I have received on this matter from advisers of the Government. In respect of one matter, let me say at the outset that the Government ran up against a problem. I refer particularly to the "floor plan" sales problem. We were advised by the Crown Law Office that this matter was already covered, but we were doubtful whether that had very much effect under the circumstances because claims were still being made against people who would not necessarily know what their rights under the laws were. We had actually written to the firm concerned and invited them to take action in the court, because although it seemed disposed to do so it did not seem willing to go over the top, so to speak. We invited the firm to take action in the court because we considered that if there were this loophole and if it could do these things we would certainly be rather anxious that Parliament should express some views upon it.

The result of that, I understand, was that the actions were abandoned. The claim was made that the manager was acting very largely outside the firm's policy, and that was that. The Government does not approve of that type of business conduct, and would accept the amendment proposed by the Leader in that particular clause. The Government considers that if there is any doubt about that particular matter we can further express it. Before I had received the two reports that I have referred to I mentioned the matter in Cabinet, and I stated then that that particular amendment had much to commend it and that I personally would favour it.

One of the reports is from the Prices Commissioner, who probably sees more of these matters than any other Government officer because all complaints that come to the Government from any source, including complaints from members, are referred to him. In many instances he has been able to take successful action in getting things straightened out. A very wide variety of matters are referred to him in the course of daily business. Mr. Murphy had only a limited time in which to examine the implications of this legislation: I asked for this report at rather short notice, so-if he has omitted something it is not his fault. The report states:

The Bill proposed by the Leader of the Opposition appears to have four main features:

1. The inclusion of all sales on credit with the exception of lay-by, budget account, monthly account, and any sales where no extra charges are made.
2. To render non-registrable bills of sale within the meaning of the Bills of Sale Act, 1886-1940, wholly unenforceable.
3. To eliminate the minimum hiring clauses in contracts entered into before the operation of the 1960 Act.
4. Where a trader is being financed under "floor plan" by a financier, a sale by that trader shall be a valid sale by the owner to a *bona fide* purchaser.

The present distinctions between hire-purchase and credit sale transactions are:

1. In credit sales possession and property pass at the time of the contract; in hire-purchase, property does not pass until all instalments are paid and option to purchase is exercised.
2. In a credit sale the buyer becomes a debtor to the seller for any unpaid part of the price and the seller can only sue for recovery; in hire-purchase, the seller or owner has the right of repossession following default.
3. In credit sales the buyer is free to dispose of the goods and give title whereas a hirer cannot give a title.
4. Under a hire-purchase agreement the buyer may terminate the agreement by returning the goods; the buyer under a credit sale agreement does not have this right.

Such legislation cuts across uniformity in the various States as regards the existing Hire-Purchase Agreements Acts. Since the commencement of the Act on April 1, 1961, there has been some movement away from hire-purchase. The present total outstanding balance of non-hire-purchase is about 20 per cent of the total of all instalment credit balances in this State. Thus by far the greatest majority of instalments outstanding is still that of hire-purchase. The proposed legislation will now be discussed in detail.

Credit sales: This Bill attempts to bring credit sales within the ambit of the present Act. Selling on credit is a very large field in its own right and therefore should be the subject of separate legislation rather than being incorporated into a Hire-Purchase Agreements Act. The two types of transaction (credit sales and hire-purchase) are dissimilar in their implications. It is pointed out that the purchaser under a credit sale transaction is not without protection. Following default of instalments, the trader or financier has the remedy of court action. The present Hire-Purchase Agreements Act is working quite satisfactorily and where items of substantial value are being obtained the documentation required has not proved unduly onerous. However, a number of retail stores sell a multiple range of items on credit at all levels of prices, including those quite low, and to insist on the procedure as laid down under the present legislation to apply to each and every one of these transactions would render their systems completely unworkable. The proposed legislation would not have the desired effect, and some systems of personal loans or some other method of financing these sales would be found. One such method would be a more elastic approach to the payment of monthly accounts. Any loss caused by a restriction of

credit might cause the whole level of prices, including cash sales, to rise if traders were denied the right to make a charge for credit facilities.

Non-registrable bills of sale: The proposed new section 46a deals with non-registrable bills of sale in a form not pursuant to the provisions of the Bills of Sale Act, 1886-1940, and sometimes known as "bastard" bills of sale. These documents frequently provide that on default of payment of instalments by the purchaser the property in the goods reverts to the seller, thus enabling him to enter the premises and repossess the goods. In these circumstances some cases of hardship could occur, and therefore it is proposed that for the purposes of the Hire-Purchase Agreements Act bills of sale not in registrable form should be deemed unenforceable. It is possible, however, that if bills of sale are required to be in registrable form in future the matter may be more one for amending the Bills of Sale Act.

Minimum hiring clauses: Proposed new section 48d deals mainly with excessive claims under what are known as minimum hiring clauses, which provide that a hirer is liable for a minimum amount of hire (say, 50 per cent) even though he may decide to exercise his right to terminate the contract after one month. It is claimed that excessive demands under agreements entered into under the 1931 Act are being made against hirers at the present time to their detriment. The present Act has now been in operation for 17 months and as time goes on the necessity for this amendment will become correspondingly less. Very few of the many complaints relating to hire-purchase received have dealt with this particular aspect, and in those cases the finance company is not insisting on its so-called rights. It is considered that there is no necessity for this part of the proposed amendment.

Wholesale "floor plan": Section 46c attempts to deal with wholesale hire-purchase, or "floor plan", as it is sometimes known. Transactions of this type are excluded in the present Hire-Purchase Agreements Act, section 2(1). In July, 1960, Mr. Justice Chamberlain from the bench expressed some misgivings as to this problem, and the matter has already been considered by the Government. In view of the unsatisfactory position regarding the legal position, this amendment appears both worthy and warranted.

Summary: Of the four points in the Bill, it is considered that:

1. Clause 3 relating to credit sales should not be allowed .
2. Clause 4 dealing with new section 46a relating to bills of sale not in registrable form should be dealt with in conjunction with the Bills of Sale Act.
3. Clause 4 dealing with new section 46b relating to excessive charges should not be allowed.
4. Clause 4 dealing with new section 46c concerning wholesale "floor plan" finance should be accepted.

In addition to this report, some extremely reputable traders have expressed views about credit sales. I do not wish to name them, but generally their opinion is that credit sales have been a feature of a considerable quantity of small purchases. In these cases it has been neither feasible nor practicable to have documentation, and credit sales have been of great benefit to small purchasers requiring credit. The system has enabled them to get a large choice of goods at cut prices. The amount charged for the service—and I think it is 3d. in the pound each month—works out at 15 per cent. I believe that that form of business should be allowed to continue. If a person does not want to do business in that way, he can work within the provisions of the existing legislation. The Parliamentary Draftsman reports upon this Bill as follows:

1. The present Act, as you know, provides certain protection to purchasers under hire-purchase agreements, notably in the requirement that both spouses must sign in the case of domestic goods, the right of the hirer to finalize at any time or to return the goods, certain restrictions on repossession including limits on amounts which can be recovered, and the minimum deposit of 10 per cent. However, while any letting of goods with an option to purchase or any agreement to sell on instalments is, generally speaking, a hire-purchase agreement for the purposes of the Act, an agreement under which the property in the goods passes at once, or an agreement made by a hirer who is a trader is exempted. This means that if I buy goods from, say, Myers on the instalment plan, if the property in the goods passes to me immediately, that is, if I get a title to the goods straight away, the Act does not apply. The Leader's Bill will remove this exemption and will replace it by two other more limited exemptions. The first is what is commonly known as the "lay-by" system—that is, the system where you don't get the goods until you have paid the whole of the purchase price. Such an arrangement will be excepted from the Act. The second exception is any sale on instalments if no more is payable than the ordinary price. With these two exceptions and the general exception governing traders, every agreement for sale by instalments will be brought within the provisions of the Act.

This would still leave it open for a firm to sell goods outright and take a bill of sale over the goods to cover the purchase money. However, a bill of sale, to be registrable, must be in the proper form and one gathers from the Leader's second reading speech that a number of firms sell goods by giving delivery and taking some sort of security in return which is not in the form required by the Bills of Sale Act. Accordingly, the new section 46a will provide that unless a security taken over the goods is in the proper form of a registrable bill of sale it is to be unenforceable. Thus, as the Leader stated, there will be only four forms of enforceable buying available:

(1) "lay-by";
(2) the ordinary monthly account or budget account system provided that no interest or other charges are made;

(3) the hire-purchase agreement in accordance with the Act; and
(4) sale on the security of a registrable bill of sale.

In other words, sellers of goods on instalments will only be able to sell by lay-by, on bill of sale in registrable form, by way of hire-purchase agreement, or by the ordinary instalment system if no interest or other charges are payable. I believe that what is known as the "budget account" involves some payment for the accommodation over and above the normal purchase price of the goods. If so, sales on "budget account" will have to be by way of hire-purchase agreement with all the attendant formalities.

The foregoing amendments are made by clause 3 and part of clause 4 of the Bill. The principal effect of clause 3 is, as I have stated, that, apart from "lay-by", selling by instalments will come within the Hire-Purchase Agreements Act unless there is no interest or other charge over and above the ordinary selling price. This will, of course, strike at selling on credit. To me this appears to cover a very wide field and would result in placing very great restrictions on credit sales because it is not likely that the bulk of credit sales would be transacted if all of the formalities and requirements laid down in the Hire-Purchase Agreements Act were to be observed in every case and I should imagine that the larger organizations selling on credit would find it difficult to conduct their operations without making any charge for accommodation. On the other hand, one imagines that if clause 3 were adopted other means of financing sales and credit might be found—persons requiring goods might well be driven to seeking loans from other sources. I would assume that when the uniform Hire-Purchase Agreements Bill was being discussed among the various States prior to its introduction all of these matters were carefully considered. Our own Act has been in force for only about eighteen months and the present proposed amendments would involve what appears to be a very wide departure from the uniform provisions agreed upon. On the whole, therefore, I am disposed to the view that the Act should be left as it is.

With regard to the proposal concerning bills of sale, while there may be some merit in the provision for unenforceability of bills of sale not in registrable form, I think that the more appropriate place for such an amendment, if it were acceptable, would be in the Bills of Sale Act. That Act does not make bills of sale which are not in registrable form invalid or inoperative as between the parties to it, but provides that a bill of sale containing any omissions or which is not registrable will be void against the Official Receiver in bankruptcy or against any judgment creditor.

2. New section 46b, as the Leader pointed out in his speech, makes it an offence for anyone knowingly to demand under any hire-purchase agreement anything above what is properly due. The Leader gave actual cases in his speech. Most of these cases refer to alleged claims under the "minimum hiring clauses" frequently contained in hire-purchase agreements made before the uniform Act. These clauses are not available since passage of the uniform Act and, as the Prices Commissioner points out in his memorandum, with the passage of time there will be fewer and fewer of the old agreements left. However, in legislating for offences, it is necessary to guard against penalizing a person who makes an honest mistake and it might well be a difficult matter to prove that the demand was made knowingly. From this point of view the proposed new section 46b might not achieve very much and on the other hand might result in hardship.

3. The new section 46c is designed to cover "floor plan" trading. It provides that if I hire from a trader goods which are in his possession with the knowledge and consent of the true owner, if he is a money-lender, any amounts that I have paid to the trader are deemed to have been made to the true owner so that I get my title to the goods whether the trader was authorized to sell them to me or not and whether the trader was actually buying the goods from the true owner (money-lender) on hire-purchase or not. As the Leader pointed out in his speech, this provision will throw the onus upon the money-lender in all cases rather than on the innocent purchaser. Consequential provisions are that other remedies including criminal proceedings are not affected. The clause as drafted appears to go as far as is reasonably possible in the direction sought. I would be disposed to recommend its acceptance in its present form.

4. To summarize, I would favour the new section 46c relating to "floor plans", but not clause 3 which might unduly restrict credit sales and I would have reservations on new section 46b penalizing the making of excessive demands. As regards the provisions concerning bills of sale, this might be better effected by an amendment to the Bills of Sale Act providing that bills of sale not in registrable form should not be enforceable.

Those are the two reports upon it that I have received. I intend to support the second reading but in Committee I will not vote for the first three provisions to which I have referred. With a small amendment that I believe is necessary in the "floor plan" provision, I am prepared to accept that but, if the one provision that deals with credit sales remains in the Bill on the third reading, I shall certainly oppose the third reading. That would be a restriction that would impose a hardship on many people who use that form of credit. At this time it would be unwarranted. No case has been made out for anything to be remedied under that provision. Of the present practice I have had no complaint—and I get complaints about many things. It would be a needless intervention in business matters which, at this point of time, should not be the concern of the House.

With those reservations, I hope I have made my position fairly clear. If the credit sales provisions are still in the Bill at third reading,

I shall oppose them, call for a division on the third reading and do my best to have the Bill defeated. However, I would not take that action as regards the provisions dealing with bills of sale. I oppose them but do not regard those as so vital. I would not take that action in respect of the provisions dealing with the making of claims known to be excessive. There is not much to that one way or the other. I do not support it but do not regard it as vital. I would support the fourth provision, which is desirable. The Crown Law authorities say the position is probably protected at the moment but, from our experience of it, I would say it is a good thing for this Parliament to express a view on it. If it does that, it will stop anybody in similar circumstances attempting what was attempted in that regard. I shall be happy to support that provision. I support the second reading. We shall deal with the other matters in Committee and, according to the form of the Bill in Committee, I reserve the right to vote and exercise my discretion upon the Bill on the third reading.

Mr. DUNSTAN (Norwood): I listened attentively to what the Premier had to say upon the various clauses of this Bill and I shall deal, if I may, with the various points raised by him and by the two reports he read to the House. I shall deal at some length with the points of objection raised in those reports. The Premier has said that at this time, following the credit squeeze, we must set out to expand trade and increase the volume and velocity of trade in South Australia. I entirely agree with that view. The Opposition has always taken the view that Government action should be taken to stimulate trade. I can see nothing in this Bill that stops legitimate trade practices. I do not agree for one moment that the Bill will stop those legitimate traders who are indulging in extended credit plans.

The Premier himself in the course of his speech, in making an interpolation of his own when dealing with the Prices Commissioner's report which he read to the House, revealed the essential weakness of the case that the Prices Commissioner, the Parliamentary Draftsman and, in other parts of his speech, the Premier were putting to the House on the subject of credit sales. The Premier pointed out that in fact in many cases with legitimate traders the 15 per cent charge for credit sales is not used. If it is not used, how is it necessary? Why is it necessary to preserve it? The only people who intend to go on charging 15 per cent are those dealing unfairly. There can be no doubt whatever that the protections in the Hire-Purchase Agreements Act, set forth in some detail at the beginning of the Parliamentary Draftsman's report to the Premier (the protections of interest rates, of 10 per cent deposits, of the obligation of the spouse to sign, of the right to return the goods, etc.) are being widely avoided, and particularly in relation to sales of substantial household goods by an instalment credit system, by a straight-out sale to the purchaser, who is being charged a considerable rate of interest over a period for the right to pay off by instalments.

The service charges by some traders are remitted when the instalments are paid on time. That is a perfectly reasonable provision and that would not be prevented by the amendment in the Bill. The extended instalment plan system is not interfered with, provided this exorbitant 15 per cent per annum is not charged. But why should this amount be charged at the moment, and why should people be allowed to make that charge when extending credit, in the present circumstances?

Let us take the position of the ordinary monthly accounts, which are allowed to run on. In those cases no charge is made for extended credit, because in fact few firms enforce the payment of accounts at the end of each month. They allow the accounts to run on and do not charge extra interest. What they do is to allow 2½ per cent discount if the account is paid within 30 days. There is no hardship upon traders to require that what they shall do if they are giving a man extended credit is to make an ordinary cash sale by retail and to charge that price. Their margins are such that they can do this, and the number of kickbacks that finance companies get from manufacturers' extended credit sales leads me to suspect that they will not be in the difficulties that the Premier talks about.

We know a certain amount about this matter on this side of the House, because there is a society with which certain sections of the Labor movement are associated—the Hire-Purchase Co-operative Society. That society is registered under the provisions of the Industrial and Provident Societies Act, and therefore not a money-lender within the terms of the Money-Lenders Act. That society has found that it is able to finance its long-term credits in many instances without making any interest charge whatever to the purchaser and still pay five per cent to the depositors and investors in the society.

Mr. McKee: The other blokes must be having a party.

Mr. DUNSTAN: That is putting it mildly: they are having a bonanza. The Premier has made it perfectly clear that the objections being raised to the Leader's amendment are specious. The Premier has said that in most of these instances the service charge is not being made: it is remitted. If the service charge is remitted, where is the necessity for allowing it? Why allow that method of avoiding what are in essentials hire-purchase transactions? These extended credit sales with a service charge were not indulged in to any large extent until the passing of the Hire-Purchase Agreements Act, 1960, and they were entered into to deprive the purchaser of the protections which this House carefully provided for him. Legitimate traders, of course, are not making things difficult for the purchaser, but there are others who are anything but legitimate in these circumstances, and the term applied by the Prices Commissioner to bills of sale of certain kinds could more appropriately be applied to these individuals.

The Premier, reading the Prices Commissioner's report, went on to say in support of this contention that extended credit sales should be allowed that there had not been a great departure from the Hire-Purchase Agreements Act, and that today of the outstanding credits on instalment buying in South Australia only 20 per cent were not covered by hire-purchase transactions. What the Prices Commissioner omits to state is over what period he is talking. Contrary to what he has said in relation to a later clause of the Bill, there are still extant, for many motor car, refrigerator and television sales in South Australia, thousands of hire-purchase agreements under the old Act. This form of evasion of the Hire-Purchase Agreements Act by the use of instalment credit sales has become current only in the last 18 months. Is it surprising that under the circumstances only 20 per cent of outstanding instalment credits are without the provisions of the Hire-Purchase Agreements Act? However, if it is 20 per cent now, at the rate it is growing it will be 50 per cent within a year.

Mr. Lawn: Few firms are working under the terms of the Hire-Purchase Agreements Act.

Mr. DUNSTAN: That is entirely true as regards many larger hire-purchase firms in South Australia, particularly in relation to household goods. For instance, in the case of David Murray's there would not be one hire-purchase agreement now being put into effect; that firm does not need them. I have seen the current accounting system of David Murray's, and in fact they are operating entirely the instalment credit system. That firm does not operate within the terms of the Hire-Purchase Agreements Act at all, and that is the case with most of the large traders in South Australia.

Mr. Lawn: They have said that themselves.

Mr. DUNSTAN: We do not wish to interfere with legitimate traders, but we certainly want to see that the provisions which this House carefully enacted in order to protect small purchasers will be maintained and that they will have those protections which they are not getting at the moment.

Mr. Millhouse: Are you suggesting that David Murray's is not a legitimate trader?

Mr. DUNSTAN: No, but I am suggesting that many others certainly are not legitimate traders. Many firms have sprung up for the purpose of making television sales; there was a mushroom growth of those firms in South Australia. Many of the firms selling electrical equipment in South Australia are operating under the instalment plan system, and I say that they are not legitimate traders and that they are out to make a "fat cop" out of the public which is not, under the instalment credit system, given the information that is required to be supplied by the seller under a hire-purchase agreement.

Mr. Millhouse: Do you think that any legitimate traders are using instalment credit?

Mr. DUNSTAN: Yes; the instalment credit sales system is being used widely in South Australia by legitimate traders. I agree with the point made by the Premier that many legitimate traders are not enforcing a credit charge.

Mr. Millhouse: I think you have misunderstood what he said about that.

Mr. DUNSTAN: I understood what the Premier said. Obviously, some good and reputable firms are selling on the instalment credit system, but, as the Premier said, they are not enforcing this 3d. in the pound a month, or 15 per cent. Some large firms are wreaking depredations upon certain sections of the populace and upon their employees. Some firms encourage their employees who are under the age of 21 to go in for budget accounts of up to £20. This is a sort of revolving finance system—an imprest system —under which a person buys up to a value of £20. That person then reduces the balance a little by paying off a certain sum.

Mr. Lawn: They are always owing £20.

Mr. DUNSTAN: Yes, and a 3d. in the pound a month charge is made under that system. The employees are always indebted to the firm, and, what is more, the deductions are made out of the employees' wages. This entirely contravenes the principles of the Truck Acts. I do not want to see that sort of thing; I do not think it is proper, and I do not believe it should be allowed. If a person signs a consent for his employer to deduct money from his wages, the employer may deduct the money.

Mr. Fred Walsh: Wouldn't those people have protection under their award?

Mr. DUNSTAN: Unfortunately, many shop assistants do not know they have rights under an award. Many of them are not members of the Shop Assistants and Warehouse Employees Federation, and consequently they do not get the protection. I do not agree at all that there would be the restrictive effect that the Prices Commissioner, the Premier, and the Parliamentary Draftsman see in this. What we are doing is to prevent these people from evading the provisions of the Hire-Purchase Agreements Act and to allow proper and legitimate sales on instalment credit. I do not see any harm in that, and I imagine that legitimate traders for the most part would welcome it, for they do not operate this pernicious system of charging 15 per cent a year where they do not need to make that charge, and they do not need to make it on this kind of instalment credit system.

Let me turn to the Premier's remark about it being easy to avoid the provisions of Acts. I know that particularly in the finance field there are many sharks in Australia always thinking up bright schemes to fleece the public. If that excuse is to be put up with, this House might as well go out of business. What is the point in our being here if we do not try to make the legislation effective? The plain fact of the matter is that the Hire-Purchase Agreements Act has not been effective within the area for which we provided it, and that is why we should try to do something.

A suggestion has been made by the Parliamentary Draftsman and the Prices Commissioner about a method of getting around this amendment: that people will obtain personal loans to buy goods. Whoever goes in for that type of business will have to incorporate a separate company, have separate agreements, and comply with the provisions of the Money-lenders Act. In it many things are set out. The contract must be in writing and signed personally by the borrower or by the agent of the borrower authorized in writing by the borrower; the contract shall set out all the terms of the loan and the date of making the loan, the amount of the principal of the loan, the total amount of the interest to be paid, an itemized statement of any amounts paid or payable by the borrower on account of stamp duty or on account of fees payable to the Registrar-General of Deeds or on account of costs or fees payable to a solicitor or licensed land broker for the preparation of any document; the terms of repayment shall be set out, including a separate and distinct statement of the amount of the final payment to be made pursuant to the contract; the contract shall be signed by the borrower or by the agent of the borrower authorized in writing by the borrower before any money is lent; and a copy of the contract, together with a summary in writing in the prescribed form of the provisions of the Part which affords protection to borrowers, shall be delivered to or sent by prepaid registered letter through the post, and so on. What will be the advantage to those firms of evading the terms of the Hire-Purchase Agreements Act? They will have to do as much documentation as the Hire-Purchase Agreements Act provides.

Mr. Jenkins: What about cash sales?

Mr. DUNSTAN: Our amendment does not prohibit cash sales. A purchase can be made by the lay-by or instalments, provided the seller does not charge interest.

Mr. Millhouse: Why should a seller have to finance his customers indefinitely?

Mr. DUNSTAN: I do not think he has to do so. The operative word is "indefinitely". In fact, sellers do not finance customers indefinitely, but there is encouragement to some firms operating under the system to try to get a term as long as possible in order to make the largest amount of money. I have cases where people who have tried to pay in advance under the instalment credit system have been told that there is no advantage to them in doing so.

Mr. Millhouse: I do not know why they give credit if they get nothing out of it.

Mr. DUNSTAN: They will get the sales. Most legitimate traders in South Australia are keen enough to get sales and will not be worried by this at all. Their margins are sufficient.

Mr. Bywaters: You can get a 10 per cent discount for cash anywhere.

Mr. DUNSTAN: Yes.

Mr. Millhouse: I wish the honourable member would take me to such places.

Mr. DUNSTAN: I appreciate that the honourable member has not got the necessary inclination to go where he can get things cheaply. I am sure members on this side will give him much assistance in that matter. The next thing that was said was that this Bill would cut across the provisions of the uniform Act, but I am afraid that this concerns me but little. Our Act is not in conformity with the originally proposed uniform measure. Amendments to it were made by this House and by the Legislative Council, and it is no longer a uniform measure. It is nonsense to say that we should not cope with evasions of the legislation as we see them merely because other States have not seen fit to cope with evasions.

Mr. Loveday: We have been told not to worry about the other States in other respects.

Mr. DUNSTAN: When things are different they are not the same. It was an extremely weak excuse. The Premier found some merit in the "floor plan" provisions, and so did the Parliamentary Draftsman and the Prices Commissioner. Although I am interested to hear that the Crown Law Office thinks the matter is already fully covered, I respectfully disagree. Some rather confusing judgments have been given on the subject of the ostensible authority of traders and the estoppel of owners denying that authority. The law is at present confused. If a trader does not sell in a market overt and does not sell from the floor of his premises, it is probable that the owner is not estopped from denying this ostensible authority. If the trader sells in the backyard he must be dealt with just as much as if he sells from the floor of his showroom. That is not covered in the law at present. I believe that the provision can do much to protect many unfortunate people because although it is true, as the Premier said, that the company most complained about did not take its cases to the court it is also true that it did frighten some people into paying up, short of going to the court. On that score I shall have something to say on another provision. I believe all members are likely to accept the provision.

Let me now turn to the proposal concerning bills of sale. The Prices Commissioner said that it is true that some firms are obtaining what are called "bastard" bills of sale, bills of sale not in the registrable form. They are contracts for the sale of goods with grants to the seller of the right to repossess the goods and resume ownership of them in the case of default in the payment of instalments. These are not in the form required by the Bills of Sale Act, and in consequence people may suffer. The Parliamentary Draftsman does not go as far as the Prices Commissioner in suggesting that there is something to be done on that score. Both suggest that it would be better to include an amendment in the Bills of Sale Act than in this legislation. It may be true that it is a little tidier to amend the Bills of Sale Act than to amend this Act, but, in fact, since we are dealing with the system of instalment credit it is simpler to do it this way than to introduce an entirely separate measure to amend the Bills of Sale Act. That is not new. I refer members to the Aboriginal Affairs Bill which was drafted by the Parliamentary Draftsman. That proceeds to amend the Licensing Act besides repealing the Aborigines Act. It would be tidier, of course, to amend the Licensing Act by means of a Licensing Act Amendment Bill!

Mr. Millhouse: There is no real parallel.

Mr. DUNSTAN: It is practicable to amend more than one Act where a general subject matter is dealt with, and that has often been done. I have rarely heard a weaker excuse than the one put forward on this occasion. It is admitted that this is something that might well be done and that it might be better to do it in another way, but I say that, "if it were done, when 'tis done, then 'twere well it were done quickly." I believe this can be done better and more quickly in this manner and nobody will be the worse off if it is done this way.

In relation to this provision for bills of sale the Parliamentary Draftsman does not think this is something that will achieve very much. Respectfully, I disagree with him. He has not seen any cases, but I have. I have seen cases where these agreements have been executed. One company operating in Adelaide was financing one of the electrical undertakings that used this method extensively and it subsequently became insolvent. The protections given by the Hire-Purchase Agreements Act or the Bills of Sale Act were not mentioned in the agreements and these people, in consequence, did not have the information given to them that they should have had. Yet it was possible for this hire-purchase company to enter their dwellings and seize the goods and sell them.

Clearly, that sort of thing is undesirable and it was never the intention of Parliament that that method of avoiding the provisions of the Hire-Purchase Agreements Act should be

allowed. In those cases there was no necessity for the signature of the spouse, no necessity for a 10 per cent deposit, and no right of return of the goods, and yet the goods could be seized and sold.

Mr. Quirke: And the house entered!

Mr. DUNSTAN: And the house entered! I think that is wholly undesirable and we should make certain that nobody is able to enforce agreements of that kind unless they carry out the provisions of the Bills of Sale Act.

Mr. Quirke: I know of one case where the house was entered in the absence of the owner.

Mr. DUNSTAN: That can be done, and it is not surprising in those circumstances that the Prices Commissioner agrees that there could be hardships. Many members know of hardships that have occurred.

Mr. Ryan: The Premier doesn't know.

Mr. DUNSTAN: He has not heard of any. Apparently the Premier chooses to judge this matter purely on the complaints made to him individually. However, many members of this House have had widespread complaints of evasion of the Hire-Purchase Agreements Act and can supply details of many cases of hardship under every one of these provisions on which we are now taking some action. The Premier says that he knows of no cases of hardship under the credit instalment plan, but I know of a number of cases, including many in the district of the member for Stuart (Mr. Riches), where people were induced to sign up on the instalment credit system not realizing that, in fact, they were not buying on the hire-purchase system at all. When they attempted to return the goods they found that they were liable for a considerable sum. Those cases covered a wide range of household goods and when the credit squeeze came those people were caught on the credit instalment system and were charged unfair interest rates.

Let me turn to the method of making payments in relation to hire-purchase agreements under the old Act. The Prices Commissioner and the Parliamentary Draftsman say that there is no need for this provision because time will cure all that. All I can say, with great respect to those gentlemen, is that they display profound ignorance of outstanding hire-purchase agreements in South Australia when they say that. The agreements made at the beginning of 1960 in relation to motor cars are all under the old Act and many of them are running for four years. Agreements for television sets made at that time are under the old Act. I can produce agreement after agreement that is extant under the old Act under which people are now having demands of this kind made against them after they have returned the goods as a result of the credit squeeze. Thousands of people are affected by this provision and to say that we do not worry about what has happened to them and that time will cure all ills is ridiculous. What has happened in the meantime, until their agreements have run out? Apparently, hardship that occurs to them does not affect the Prices Commissioner or the Parliamentary Draftsman, but the hardships are real.

The Premier said that he knows of no complaints of this kind, but we can give a few examples. I venture to say that few lawyers' offices in South Australia have not had examples of that sort of thing, and the unfortunate part of it is that many people have actually paid out on demands made by, for example, Lombard Australia Ltd. for the most part, and by other companies. I can cite cases where Custom Credit Corporation Ltd. and Industrial Acceptance Corporation Ltd. have done it.

One case concerning Lombard Australia Ltd. relates to an original hire-purchase agreement involving £604. A 1956 Ford Prefect sedan was involved and payments made under the agreement amounted to £123 12s. The car was voluntarily returned. That meant that the hirer was liable for the difference, as liquidated damages for depreciation, between £123 12s. and half of £604. What did that company do? It did not send him a notice to that effect. On February 10, 1960, by letter, it said:

> Dear Sir,
> This statement of account relates to your terminated hire-purchase agreement. Originally, the amount of hire was £618.

Apparently, the amount had become slightly greater. The letter continued:

> Less payments received £123 12s.—£494 8s., less rebates as required by the Act—£18.

Completely fictitious! That has absolutely nothing whatever to do with the case at all, but is just makeweight to add an air of verisimilitude to an otherwise unlikely narrative. The result was £476 8s. less allowances on the unit. Normally, they show the proceeds of the sale. The manner in which these sales were conducted—and they are still doing this—is that here was an article on which they allowed £185. That was for a car which, in 1960—only some eight months before

the car was returned to them—sold for £618 according to the company's statement. They allowed £185 on it. Normally they say "Proceeds of sale", which are arrived at in this way: They get in three people who are working their "floor plan" system (three motor traders) and say, "Give us a quote on this car. You quote you so much, you so much, and you so much", so they have, according to them, three quotes. I know of motor car traders who have done this. This happens with the largest and most reputable hire-purchase companies—at least, with the largest companies. These people put in quotations, and the highest figure that the trader is told to put in is the one that appears on the statement. It is normally less than one-quarter of the original purchase price paid by the purchaser for the vehicle, and this is the amount that appears in the document as the allowance. Of course, the company is not paid the £185—that is put in as a contra entry on the trader's account. The firm then claims all these other fictitious amounts from the poor unfortunate purchaser. The document goes on:

Less payments by you after repossession date, nil. Balance to be paid by you, £291 8s.

This is much more than the £191 7s. the company was forced to agree upon on the judgment after it had issued the summons. Although it claimed £291 8s., it was entitled to only £191 7s. under the original agreement. It demanded £100 more than it was entitled to demand. Members may say that nobody would pay it, but unfortunately people do.

Mr. Ryan: Was that the amount fixed by the court?

Mr. DUNSTAN: It was a consent judgment. The document also states:

Settlement is required within three days or, alternatively, you may wish to call personally and discuss this matter. Failure to comply with this demand will be viewed seriously by our legal department and will result in drastic action.

Mr. Millhouse: I have used that myself at times.

Mr. DUNSTAN: Yes, it has been effective in many cases. Unfortunately, many innocent people, instead of going to see their legal advisers, have rushed to the company, which has then sweetly asked them to sign a whole series of promissory notes for payment by instalments—in the case I have mentioned, of £291. If they make default on the promissory notes, they are sued not on the hire-purchase agreement (on which, of course, objection could be taken at law) but on the promissory note, which has been obtained by the fraudulent misrepresentation that in fact the liability is £100 more than it should have been. How can it be said that these people are not being affected, that there is no hardship, and that time will cure all? The other objection raised to this new section by the Parliamentary Draftsman was that it provides:

Any person who knowingly makes demand upon the hirer of goods under any hire-purchase agreement . . . shall be guilty of an offence.

The objection raised is that, since it provides "any person who knowingly makes demand", it will be difficult of proof. I am sure the Minister of Education, the member for Angas and the member for Mitcham know of many provisions in the criminal law where the word "knowingly" appears, and properly so. That does not mean that it is necessary to prove precisely the state of a man's mind. In certain circumstances the court, upon evidence of a man's actions, may presume his state of mind because it is obvious what his state of mind is. How can anyone, on the basis of the original agreement I have cited and in the face of the statement from the legal department manager of Lombard Australia Limited, say that that company did not know what it was doing? I know that it did know. If the Premier has any difficulty, I shall be delighted to go into the box and relate conversations I have had with the head of the claims department of Lombard Australia Limited, who has admitted to me that he knew they were demanding money in excess of what they were entitled to ask and that they intended to go on doing it. The court would not have the slightest difficulty in deciding that fact.

Mr. Millhouse: I think you are overconfident.

Mr. DUNSTAN: I do not think I am. It so happens that I have had to prosecute cases where the defendant was charged with knowingly doing this, that, or the other, particularly under the Commonwealth Conciliation and Arbitration Act, and the court has not had to open up the defendant's mind and look at it with a magnifying glass but has been able to determine the matter simply by judging what the person's actions were and what they disclosed. There is no difficulty whatever in this new section. As the member for Mitcham knows, in a charge of receiving a person is charged with receiving certain goods knowing them to have been stolen.

Mr. Ryan: How would he know?

The SPEAKER: Order! The honourable member for Norwood.

Mr. DUNSTAN: I am sure the honourable member would know that; I would not suggest otherwise. The courts have had no difficulty, and I suggest to the Parliamentary Draftsman that they would not find any difficulty in this provision either. I believe it is desirable, however, to avoid penalizing people who have made an honest mistake in making calculations.

Mr. Lawn: If you were the Premier, don't you think you could get the Parliamentary Draftsman to say what you wanted?

Mr. DUNSTAN: I must say that in the preparation of this Bill the Parliamentary Draftsman has been extremely helpful. Although its provisions were not drafted by him, they were submitted to him for comment. He has been extremely helpful to us in preparing the Bill, for which he should get full credit. However, I disagree with some of his comments on policy matters. The next matter put forward in the Prices Commissioner's report with which I have not dealt so far is the suggestion that, since credit sales are dissimilar to hire-purchase agreements, they should not be dealt with in the Hire-Purchase Agreements Act. Precisely where they are to be dealt with, and whether he wants an amendment to the Sale of Goods Act, I do not know, but, since we are dealing with hire-purchase agreements and instalment purchases generally, I cannot see why this cannot be done in this Act rather than in the Sale of Goods Act. In fact, the definition sections of the Hire-Purchase Agreements Act are wide. The Act provides:

> ''Hire-purchase agreement'' includes a letting of goods with an option to purchase and an agreement for the purchase of goods by instalments (whether such agreement describes such instalments as rent or hire or otherwise) . . .

That is the basic definition in which we are writing in certain exceptions. If we do not deal with instalment credit sales in this Act, how are we to deal with them? There will be a conflict between this Act and some other Act. If we are to alter the exemptions from the Hire-Purchase Agreements Act and do something in relation to instalment credit, this is the place where we have to do it. How can we do it in the Sale of Goods Act and leave this Act as it stands? We cannot. This is the place to deal with it. The definitions in the Hire-Purchase Agreements Act include the definition of ''instalment purchase''. Look at page 263 of the 1960 volume. There it says:

> whether such agreement describes such instalments as rent or hire or otherwise.

An ''agreement for the purchase of goods by instalments'' is within the definition of ''hire-purchase agreement''. Then certain exceptions are written in. All we are doing is altering slightly those exceptions and saying that, so far as the exception now extends to the purchase of goods outright by instalment, that will be all right provided a charge is not made for it. That is the only difference we are working under.

The Prices Commissioner then says that the Hire-Purchase Agreements Act has now been in force for 18 months and, generally speaking, traders have not found documentation onerous; but that, if one required documentation in relation to smaller items, this would unduly restrict traders because they would have to go in for so much documentation. That is not true, provided they used the instalment credit system that would be allowed by our exception. If we are going to require the security of a hire-purchase agreement, then traders have to go in for documentation; but, if they go in for instalment credit on the plan submitted by the Labor Party (that is, without making a terms charge), there will be no documentation at all. If it is at all a large purchase, then it is sensible that it should be subject to a hire-purchase agreement.

Mr. Hall: That means putting something extra on the price of the goods, if they are to be subject to a hire-purchase agreement. There must be a minimum purchase where documentation can increase the price.

Mr. DUNSTAN: I think that is true.

Mr. Hall: You choose to ignore that.

Mr. DUNSTAN: I do not.

Mr. Hall: You do not refer to it.

Mr. DUNSTAN: As far as I am concerned, it is highly unlikely that a trader will go in for a hire-purchase agreement on an article costing £2. He will allow the purchaser credit over a period. Why should he charge 3d. in the pound for it?

Mr. Hall: But credit could not be allowed for that rate.

Mr. DUNSTAN: We are complaining about that.

Mr. Hall: You could not expect it on the same terms as a hire-purchase agreement would cover; you could not expect it for two years.

Mr. DUNSTAN: I do not expect that anybody will be required to enter into an instalment plan by which he pays £2 over two years.

Mr. Quirke: If one goes into a 12 months' programme there should be no charge on that. The first charge is exorbitant because you have to provide finance over a large number of items over 12 months, which will cost something; the first charge must be exorbitant if you are to be able to do that.

Mr. DUNSTAN: Do what?

Mr. Quirke: If you are to be able to give 12 months interest-free.

The SPEAKER: Order! The member for Norwood.

Mr. DUNSTAN: If people are going to grant 12 months' credit, I see no reason why they should not provide a hire-purchase agreement with the necessary documentation; and that will not be onerous. The Prices Commissioner himself points that out. The objection raised by the member for Gouger (Mr. Hall) is that in these very small sales it is onerous to make the documentation needed for a hire-purchase agreement. I agree with that point of view, but I do not see why, in relation to very small sales, they cannot operate the ordinary instalment credit system without the provision of terms charges, because those small purchases are not financed over a period of 12 months, or anything like that.

At the moment, they are done on some revolving system. There is always about £20 outstanding on which one pays 15 per cent—a budget account. I do not think that is proper. As the Premier says, in the case of most instalment credits a terms charge is not being made.

Mr. Loveday: It is like the ordinary method of business where one gets a discount?

Mr. DUNSTAN: Yes. The Parliamentary Draftsman said that in his view the bulk of credit sales need charges. With great respect to him, I do not know where he gets his authority from on that score. My experience from investigating sales by traders on instalment credit and the operations of the hire-purchase companies, including our own co-operative society, makes it quite clear that in the bulk of credit sales terms charges are not needed. That applies in the bulk of sales now made on the instalment credit system.

Lastly, the Parliamentary Draftsman says that the proposals of new section 46b would be difficult of achievement. I think I have dealt with that objection, too. I have examined this section with other members of the profession and I have not had one so far suggest to me that the courts would find difficulty in convicting persons under this section in the face of the kind of evidence and documentation that we have in the cases complained of. I do not believe it is so for one moment. Indeed, I rather imagine that that report may have been made by the Parliamentary Draftsman before I had shown him the documents. I do not know whether that is the case. At any rate, I invite the Premier to ask him whether he has changed his mind on that section of the report, having seen some documents that I have now been able to show him and seen that a case can be made when a person is knowingly demanding moneys in excess of those to which he is properly entitled. I invite honourable members to accept the whole Bill. Obviously, it will pass the second reading stage, for which I am thankful. The Premier has said that he will support it, and there are 19 members on this side of the House, so, by a matter of simple arithmetic, regardless of what may be done on the opposite side—and as to that I have a few ideas—I should imagine the Bill would pass its second reading. We can have further debates on the various clauses in Committee. I am sure the debate will be lengthy and interesting. I commend the Bill to the House. It is a necessary and desirable provision for the protection of numbers of people who are being hard hit at the moment by evasions of the protections that this House sought to give by the Hire-Purchase Agreements Act of 1960.

Mr. MILLHOUSE (Mitcham): I was going to begin my speech on this Bill by congratulating the Leader of the Opposition on his grasp of the legal complexities involved because, until the member for Norwood let one remark drop about 10 minutes ago, I was under the impression that the Leader himself had drafted this Bill. I was going to congratulate him on his grasp of it and say that, if he had discussed the matter with the member for Norwood and asked him to draft the Bill for him, he could hardly have done better. However, it appears that perhaps the Leader did not have complete charge of the drafting of this measure.

Mr. Frank Walsh: I drafted it.

Mr. MILLHOUSE: That is what I was fishing for. I can now congratulate the Leader and say that if he had referred it to the member for Norwood, the honourable

member could not have done a better job, either in drafting the Bill or in writing the Leader's second reading speech in explanation of it.

Mr. Bywaters: Those remarks are completely unnecessary.

Mr. MILLHOUSE: I was paying a graceful compliment to the Leader of the Opposition, who has introduced the Bill. I am sorry if members opposite do not choose to accept my compliments in the spirit in which they are given.

Mr. Lawn: We are very doubtful about compliments from you.

Mr. MILLHOUSE: My opening gambit has apparently not met with much favour amongst members opposite. The quality of the Bill and of the argument in support of it has persuaded me to support the second reading. I am very glad on this occasion to be able to support my good and respected friend, the Leader. However, having said that, I must also say that I have very grave reservations about some of the provisions of the Bill, and I must to a large extent qualify my congratulations. Perhaps that remark will please members opposite a little more.

Mr. Loveday: That sounds a bit more like you.

Mr. Jennings: You are getting back to your old repulsive self now.

Mr. MILLHOUSE: Coming from the member for Enfield, I take that as a compliment; it at least shows that he is paying attention to the pearls I am casting before him. I was going to say that the Leader probably would have done better to take advice on some aspects of the Bill from the member for Norwood, but I cannot really say that now because the member for Norwood seems to be supporting his Leader's Bill in toto. I think there are a number of misconceptions about the nature of hire-purchase itself. There is a very grave misunderstanding about it in the public mind, and this Bill does nothing to dispel it; indeed, it simply confirms the very grave misunderstanding by the public as to what a hire-purchase transaction is. Hire-purchase is popularly regarded as any sort of credit transaction, when of course it is not; it is a very specialized form of credit transaction—and the member for Norwood mentioned this but did not clinch the point—under which the property in the goods does not pass. A person arranges to take goods on hire, and when he has made a certain number of payments he can exercise the option to purchase the goods, and it is at that stage that the property in the goods passes to the purchaser. That should be known to every member of this House. Unfortunately, as I say, there is a very grave misconception in the public mind; it is believed—and the member for Norwood himself encouraged this belief, I am afraid—that hire-purchase covers all sorts of credit transactions and therefore we can deal with all sorts of credit transactions in the Hire-Purchase Agreements Act. That, coming from a legal practitioner, is a most unfortunate attitude, because it is completely misleading. I think that is one of the basic fallacies behind three of the four provisions of the Bill. May I deal now with the Leader's second reading speech. He set out early in his speech the purposes for which he introduced the Bill, and then he went on to say:

> At the moment, there are two ways in which large commercial concerns and finance houses in South Australia are evading the provisions of the Act.

"Evading" is a very unfair word to use; it can only be used if a person himself misunderstands the significance of a hire-purchase transaction, or if he is trying to encourage others in their misunderstanding of it. Simply because a firm or any concern does not choose to use a hire-purchase transaction, we cannot say that that firm is evading the Act, because there are many types of completely legitimate credit transactions which are right outside the ambit of the Act. I suggest that it is quite wrong to say that people are evading the Act simply because they happen to use those other forms of credit transactions.

Mr. Clark: Why were those particular methods not used before the passing of the Act?

Mr. MILLHOUSE: Merely because this Act does impose a number of inconveniences: a number of documents have to be made out; stamp duty has to be paid, and a number of restrictions have been put upon hire-purchase transactions that were not in force before. I voted for this legislation when it came before the House, and I do not regret having done that, but it is pretty obvious that people will not use it if they can find some more convenient way of doing their business; there is no reason why they should use it.

Mr. Clark: In other words, they are evading it.

Mr. MILLHOUSE: No, they are not.

Mr. Clark: You have just told us that they are evading it.

The Hon. Sir Baden Pattinson: They are not evading it: they are avoiding it.

Mr. MILLHOUSE: I am grateful to the Minister for his interjection. There is nothing wrong with that at all. There is no reason why people should not avoid paying income tax if they can do that legitimately, but it is quite a different thing to try to evade income tax, which has a connotation of dishonesty. I suggest that this shows the Opposition's attitude towards business in this State.

Mr. Clark: It shows the attitude of the member for Mitcham, too.

Mr. MILLHOUSE: The honourable member is in good form today, and I have no doubt that he will favour us with his views on this matter. The Leader flatters himself, for at page 638 of *Hansard* he says:

The ultimate effect of the two provisions I have outlined so far is that in future there will be only four forms of enforceable instalment purchase in South Australia.

As quickly as one door is blocked there will be found other methods of doing business. If the Leader of the Opposition thinks that by his Bill he will cut out all other forms of credit trading he is in for a bitter disappointment.

Mr. Frank Walsh: Is that the result of your legal training?

Mr. MILLHOUSE: No. My point is that there are many different forms of credit transactions that are legitimate and practised. If we make one form more difficult, and circumscribe it with conditions, there will be another in its place, and that is why the proportion of hire-purchase transactions to all credit transactions has been reduced. This is what has caused it. Let me give the Leader of the Opposition an example of one other way in which business can be done. It is a form of credit transaction not covered by the Act, but it is certainly one that I know hire-purchase concerns are considering, if they are not using it now. It is a straight-out sale and the taking of a promissory note in exchange. That would be perfectly legitimate and would be one other way to get payment over a long period. It is the sort of thing that will happen and it is well known. I am surprised that the member for Norwood affects an air of innocence on the matter. The Parliamentary Draftsman desperately strives to block up any loophole in legislation he drafts, but there are always ways around these things. It is the same with this legislation as with any other. Therefore, I say the Leader of the Opposition flatters himself if he thinks that by introducing the Bill and persuading the House to accept the second reading, and it looks as though he has a chance of doing that, he will reduce the different methods of credit transactions in this State.

Mr. Clark: You mean he will assist in inventing new ones?

Mr. MILLHOUSE: Yes, and that will help the legal profession because it devises legal ways and means of doing these things. The Leader of the Opposition also said:

The purchaser cannot return the goods and, while the goods cannot be seized immediately if he defaults in any of his instalment payments, the enforcement of the purchase contract against him places him in a much more disadvantageous position than a purchaser who has the protection of the Hire-Purchase Agreements Act.

That is the position in which straight-out cash purchasers find themselves, and I do not know why the Leader of the Opposition complains. He says that the purchaser cannot return the goods, but the purchaser for cash cannot return them. The Leader also complained about the normal method of taking action in the local courts. He complained that proceedings are taken, judgments obtained and a warrant of execution is levied. If the Leader notes that in the Adelaide Local Court about 50,000 actions are begun and mostly finished every year he will realize that the practice complained of here is far more widespread that he believes it is. He was wrong in another way, and I am surprised that the member for Norwood did not correct him. If a judgment is obtained a warrant of execution is levied in accordance with section 168 of the Act.

Mr. Dunstan: Are you saying it is worse?

Mr. MILLHOUSE: No. Apparently the Leader of the Opposition is complaining about the normal processes of justice.

Mr. Dunstan: He is complaining that it is used in relation to this kind of transaction. You would not say that all actions in the Local Court come under this legislation?

Mr. MILLHOUSE: What he said is what happens in any action, and the honourable member knows that. I will now say something about the amendment to the definition of "hire-purchase agreement". That involves this whole question of credit selling. It was dealt with by the Leader of the Opposition and by

his leading henchman, the member for Norwood. I entirely disagree with the views put forward by the member for Norwood as to credit selling. I have made some inquiries on this matter and I am told that about 60 per cent of all transactions in the big Rundle Street stores are made on credit in one form or another. Of that 60 per cent about one-third are arranged by means of extended credit terms, and not monthly accounts. That means that 20 per cent of all the business done by them is done under this system. It runs into many millions of pounds annually. I asked the member for Norwood, when he was speaking, whether he thought any legitimate business was done on extended credit terms. I know I was out of order in interjecting, but I thought he hedged in his answer. I should like to know whether he considers that the big Rundle Street stores are legitimate in their business practices or not. If he believes they are legitimate, his argument falls to the ground, but, if not, I entirely disagree with him.

Mr. Dunstan: Are these Rundle Street stores making a charge of 15 per cent in practice?

Mr. MILLHOUSE: Yes.

Mr. Dunstan: The Premier says they are not.

The SPEAKER: The member for Norwood has made his speech.

Mr. MILLHOUSE: I should like to clear up that matter. I think the Premier said that the charge of 3d. in the pound works out at about 15 per cent a year, and it is made not on the total amount of credit but on the total amount drawn in the account. In other words, it is the balance of the account at the beginning of each month.

Mr. Clark: He did not mention that.

Mr. MILLHOUSE: Yes. That was the statement made.

Mr. Dunstan: Read *Hansard.*

Mr. MILLHOUSE: I will, and I am confident that I am correct in what I say. The rate of 15 per cent a year is on a reducing balance and, obviously, in most cases the balance is reducing and therefore the rate is much less than 15 per cent. It is a little more than half that rate and probably is a little over eight per cent. One point I cannot understand in the argument advanced by the member for Norwood is how long he expects any trader—whether a Rundle Street trader or anyone else—to continue allowing extended terms for no return. Doesn't he realize (and of course he does realize) the millions of pounds involved in these transactions, which has to be found from somewhere. The Rundle Street traders have to pay for the money with which to finance these extended credit sales. Where does the member for Norwood think this money is coming from? Who is to pay for it if the traders make no charge for it? The credit may extend over periods of six months, a year or two years. The Leader's Bill does not specify any period. We do not know how long the Opposition is going to invite businesses to finance the instalments.

Mr. Dunstan: If the instalments are to extend over six months or a year why don't they take out a hire-purchase agreement?

Mr. MILLHOUSE: That may be the answer, but these extended credit schemes will be stopped because the stores will not be able to afford them. About 20 per cent of the Rundle Street business is conducted under this system and that business is done because it suits the customers. That is why so many people avail themselves of it and that is the reason for the multiplicity of purchases. Does the Opposition imply that each time I buy a sports coat I must enter into a hire-purchase agreement instead of putting it on my No. 2 account. If I am not in a position to pay for the coat within 30 days that is what I will have to do and the same conditions would apply whether the article purchased was a pair of stockings for my wife or a refrigerator for my home. It is just too absurd of the Opposition to attempt to rob people of the convenience of extended credit terms and that, of course, is what they will be doing.

Mr. Clark: Who invented the system?

Mr. MILLHOUSE: It was invented and brought into operation by the stores, but who uses the system?

Mr. Clark: Whom do you suggest should use it?

Mr. MILLHOUSE: Nobody has to use it, but 20 per cent of the Rundle Street business is done under this system. The Opposition wishes to eliminate that form of trading, because that is what its provisions would mean. It would be impossible for that trade to be carried on in future.

Mr. Dunstan: The honourable member should come out of his cloud in cuckoo-land.

Mr. MILLHOUSE: The member for Norwood is the member who is in a cloud in cuckoo-land, because he has completely ignored the facts of economic life. He wishes business to indefinitely finance customers for many

millions of pounds and, apparently, the Leader of the Opposition is as far away from economic realities as his follower from Norwood is. That provision is unacceptable to me and I will oppose it as strongly as I can if the Bill gets into Committee. Clause 4 amends the Bills of Sale Act. I do not know, but I presume that the member for Norwood realizes the extent of the amendment he is making. How many members have examined the Bills of Sale Act and are aware of the definition of a bill of sale. I shall read that definition to remind members that a bill of sale covers a far greater range of things than mere consumer goods, which are the transactions about which the Opposition complains. The Act provides that a Bill of Sale:

> . . . shall include bills of sale, assignments, transfers, declarations of trust without transfer, inventories of goods, with receipt thereto attached, or receipts for purchase-moneys of goods and other assurances of personal chattels, and also powers of attorney, authorities, or licences to take possession of personal chattels as security for any debt, and also any agreement, whether intended or not to be followed by the execution of any other instrument by which a right in equity to any personal chattels, or to any charge or security thereon shall be conferred, but shall not include the following . . .

I do not think I need read any further, but the point I make is that the law relating to bills of sale covers a wide field yet, with a nonchalant wave of the hand under the Hire-Purchase Act Amendment Bill, the Opposition intends to drastically amend the law on that subject, because what is it going to do? The Opposition purports to say that:

> Any agreement made after the commencement of the Hire-Purchase Agreements Act Amendment Act, 1962, which operates as a bill of sale—

whatever that may mean—

> within the meaning of the Bills of Sale Act, 1886-1940, but is not in registrable form pursuant to the provisions of that Act shall be wholly unenforceable by the grantee thereof.

The Leader, in his second reading explanation, very properly dealt with the present legal position, and I commend him for his explanation of it, but what is the Opposition going to do with this Act, which has nothing to do with bills of sale? It would be completely misleading if we were to accept what the member for Norwood said, that Bills need have no title at all and that we could run on from one thing to another. Of course, the practice of all Parliaments is to deal with one subject matter at a time under its appropriate name. What is the member for Norwood going to do? He is going to alter the law relating to bills of sale by making them wholly unenforceable if they are not registered.

Mr. Dunstan: No, it does not say that. It says if they are not in registrable form or if they do not comply with the provisions of section 9 of the Bills of Sale Act. Is that one of the things you are objecting to that will be affected?

Mr. MILLHOUSE: All of them.

The SPEAKER: Order! We do not want a legal argument. We want a proper debate.

Mr. MILLHOUSE: What precisely does the Leader of the Opposition mean by the phrase "in registrable form", because that is not set out in the Bills of Sale Act? All that section 7 provides is that:

> Every bill of sale, the registration of which shall be necessary, shall be executed in duplicate, and may be in the form of the first schedule hereto.

The bill does not have to be in that form and the section only provides a guide. It has to be in a form which is registrable.

Mr. Dunstan: It does not have to be registrable.

Mr. MILLHOUSE: Unless it is registered it cannot be enforced. At present an unregistered bill of sale is unenforceable against the grantee. The law is to be completely altered. Such unregistered bills are not enforceable against anybody, and that seems to be a most extraordinary provision. I entirely, but respectfully, agree with the Premier that if we are to make an amendment at all it should be made in the proper place and not here. I do not believe the amendment should be made at all. I believe it is far too wide and it will affect far too many transactions that the Leader of the Opposition did not even think of when he thought of the Bill. We will leave it there.

Mr. Riches: I thought you would.

Mr. MILLHOUSE: I shall be glad to discuss the matter further with the honourable member for Norwood in Committee if he desires that. I hope the member for Stuart will accept the point I am putting to the House.

My last point in my objections is the proposed section 46b, which says "Any person who knowingly makes demand . . .". The member for Norwood dealt with this matter eloquently in his speech and completely cast aside the suggestion that there was any difficulty in proving "knowingly". I cannot agree. He gave examples. We had some in the speech by the Leader of the Opposition.

All those examples have to be taken individually. If a prosecution were launched, it would be on one individual matter. All are susceptible of an innocent explanation if taken singly.

Mr. Dunstan: They would have to be taken singly, as the honourable member knows, to prove a course of conduct.

Mr. MILLHOUSE: I do not know whether that is possible. The honourable member boasted that the credit manager of Lombard Australia Limited had admitted this course of conduct, and he offered to give evidence on any prosecution. I remind him of one legal principle that he has overlooked: evidence concerning that admission by the servant of Lombard Australia Limited could not be given in a court of law, because I have no doubt that Lombard Australia Limited gave him no authority to make any statement at all.

Mr. Dunstan: What if he were prosecuted?

Mr. MILLHOUSE: If one reads new section 46b, it is perfectly obvious what would happen in the case of a prosecution under that provision. I sum up my submission by saying it is much more difficult to prove that a thing was done knowingly than the member for Norwood, with even all his eloquence, both here and in the courts, would lead you, Mr. Speaker, to believe. So far as the fourth matter, the "floor plan", is concerned, I have no objection to this amendment suggested by the Leader of the Opposition. I have no knowledge or experience of it, but have heard of the most reprehensible actions in this regard. I think it is something that can appropriately be put right.

Mr. Lawn: You will follow your Master now that he has spoken.

The SPEAKER: Order! There is no clause in the Bill relating to the Master.

Mr. MILLHOUSE: To put the record straight, even before the Premier spoke this afternoon I had made up my own mind on this matter and I was gratified beyond words when I realized that my mind and the Premier's mind were at one. I do not object to that matter. With those reservations (three out of four) on the Bill, I renew my sincere congratulations to the Leader for introducing it and for the way in which he introduced it. I support the second reading.

Mr. BYWATERS (Murray): I find myself this afternoon at some disadvantage. We have had three legal expressions—first, by the Premier, with the legal advice of the Parliamentary Draftsman; secondly, by the member for Norwood (Mr. Dunstan) with his legal knowledge; and, thirdly, by the member for Mitcham (Mr. Millhouse). Apparently all legal minds don't work alike. It has been quite a legal battle this afternoon between the member for Norwood and the member for Mitcham. One point that needs answering is the assertion of the member for Mitcham that we on this side of the House are debarring people from charging interest rates. That is far from the intention of the Bill, and it says nothing about that. That privilege exists under the Hire-Purchase Agreements Act, as the honourable member knows quite well.

The Premier this afternoon said (and the member for Mitcham referred to it) that, whatever Bills were introduced, someone would find loopholes in them. That is apparent from the operation of the Hire-Purchase Agreements Act. Loopholes have been found in it and that is why we have introduced this measure. At all times unscrupulous people will try to find ways of getting around the law. One of the purposes of Parliament is to heal the breaches as they occur; it is for us to introduce legislation that will overcome defects and protect those needing protection from unscrupulous people. That is why we are here—to amend Acts and to tidy these things up from time to time.

As a layman, I find (as do others) that from time to time we get complaints from people being robbed by those unscrupulous people about whom we are trying to do something today. By finding loopholes in the law, they take people down and rob them right and left by the opportunities afforded them under the present legislation. So we appreciate the fact that from time to time the legislation needs tightening up. The member for Norwood this afternoon cited instances where people have been taken down. I know of many cases, as do other members on both sides of the House, where from time to time this problem has been brought to light. The firm of Lombard Australia Ltd. has been mentioned, a firm with which most members on this side of the House have had some dealings. The Premier said that he considered sufficient protection was afforded under the existing legislation. However, we have had instances where that firm has gone to people and demanded money by threats in circumstances where those people, through their own nervousness, had fallen for this demand and been compelled to pay again.

This is something which we have endeavoured to overcome in this Bill. I was pleased to

hear the Premier say that he was prepared to accept the portion of the Bill dealing with "floor plan" operations. Many people have been stampeded into paying money which they would not have had to pay had they sought advice. People have purchased goods and paid for them, but because the traders concerned have gone bankrupt the finance companies have claimed that they have not been paid and have claimed again from the people concerned. These are things that concern members on this side of the House who are trying to help their constituents. I consider that it is necessary to make sure that people are adequately protected and that this kind of thing cannot happen. The proposed new section 46b reads:

> Any person who knowingly makes demand upon the hirer of goods under any hire-purchase agreement whether entered into before the commencement of the Hire-Purchase Agreements Act Amendment Act, 1962, or not for payment to the owner of any sum in excess of the amount properly due to the owner pursuant to the agreement shall be guilty of an offence.

When people make demands which they are not entitled to make they should be guilty of an offence. I was pleased to hear the Premier say that he would not oppose this provision, even though he considered that perhaps it was not necessary; he said that if this provision were still in the Bill at the third reading stage he would not oppose it. Some good must come out of this Bill if we can get support on some issues. I should like to see the Bill passed in its entirety, but if only a portion of it is passed I believe we will have done some good in bringing it forward.

The whole position regarding hire-purchase has given us concern. Some hire-purchase companies have not been truthful in setting out their demands when repossession takes place. The member for Norwood this afternoon cited an instance of a firm sending a letter to a person claiming that that person owed a certain amount of money when the firm knew quite well that that amount of money was not owing at all; by means of bluff it endeavoured to get this money. I consider that the provision in the Bill to cover this should be retained in order to protect people in those circumstances. We know that while these firms are able to do this they will do it. Firms usually put a note on the bottom of their communications inviting people to come in and see them, but some firms are not doing the right thing even in this regard.

Recently, a lady came to me in great distress. Her son had bought a motor vehicle and she had been the guarantor for him; the son had got out of work and the vehicle had been repossessed, and although the firm had charged him £250 for the vehicle only a short time before, they claimed that they re-sold it for £25. Of course, it was ridiculous to sell the vehicle for that amount, but nevertheless that is the price they said they had received, and they claimed the balance. When I went to see the firm I was told that they showed that amount in the letter as being owing in order to bring the people in to negotiate. The person I saw in the hire-purchase firm told me that the amount owing was much less than the amount stated in the letter. For the life of me, why could this amount not have been truthfully stated in the first instance? I believe that the amount that was first mentioned was about £160, but after I had spoken to the credit manager I was told that it was about £60. If that is the true picture and that is the amount they expected, why did they not ask for £60 in the first instance? Surely, that was the honest thing to do. It would not have caused quite the same consternation as was caused on this occasion.

The people who go in for hire-purchase, in the main, are people who can ill afford to do so; they go into it as a means of obtaining something that they would not otherwise be able to obtain. I consider that the no-deposit system that has been and is still in existence because of the loopholes in the legislation is the thing that is causing unnecessary worry to people, for it facilitates this credit purchase system. I therefore consider that the provision for a 10 per cent deposit, introduced in 1960, was most desirable. However, quite frequently we see in the newspapers even today advertisements stating that no deposit is necessary. People often ask me why it is that although we introduced legislation in Parliament for a 10 per cent deposit they see these no-deposit schemes advertised. I have had to explain this matter to them, and so have other members of Parliament. We have to explain that because these people are doing business outside of the hire-purchase agreements legislation they are able to get away with no-deposit schemes. I could quote the difficulties of a woman with 19 children. Members can imagine that that woman had very little in the way of comfort in her household. However, under no-deposit hire-purchase she was

enticed by high pressure salesmen to buy things; she got into difficulties, so much so that a court order was taken out against her. She was required to appear before the court, but being a timid sort of lady she did not appear, and she was sentenced to 10 days' imprisonment. I had to go to the firms concerned to get this lady excused from a prison sentence. These sorts of thing occur as a result of this no-deposit trading. I ask leave to continue my remarks.

Leave granted; debate adjourned.

[*Sitting suspended from* 5.59 *to* 7.30 *p.m.*]

ELECTRICITY (COUNTRY AREAS) SUBSIDY BILL.

Adjourned debate on second reading.

(Continued from August 15. Page 553.)

Mr. FRANK WALSH (Leader of the Opposition): I have a contingent notice of motion on the Notice Paper which reads:

Contingently on the question "That the Electricity (Country Areas) Subsidy Bill be now read a second time" being put, Mr. F. H. Walsh to move to leave out all the words after the word "That" and insert in lieu thereof the words "the Bill be withdrawn and redrafted to provide that a condition of the receipt by the trust or other country electricity supplier of subsidy payments shall be that charges for electricity to country consumers shall be at no higher rates than those charged by the trust to consumers of electricity in the metropolitan area".

Last year, I moved a motion in this House that the Government should take steps to assist the decentralization of industry and help retain population in country areas by insisting that the Electricity Trust of South Australia institute a system whereby all country tariffs would be reduced to the same level as those operating in the metropolitan area. Several Government members agreed with the argument we put forward, but eventually they all accepted the directive of the Premier and voted against any reduction in country electricity tariffs; but now we are witnessing a complete about-face of the whole Government with the introduction of a Bill that has the intention of reducing to some extent country tariffs. However, it does not go the full distance and therefore will be limited in its beneficial potential for the decentralization of population and industry.

It is the Government's duty to give the lead in a programme which deflects industrial development and all increases of population to the smaller centres. The damaging effects of centralization on the life of the nation are in themselves sufficient to warrant the strongest action by Governments to put a limit on the size of the major industrial cities and to take all the necessary measures to make that limit effective. Practically the only factor making naturally for centralization in most of the Australian States is the scarcity of good harbours. Almost every other factor which has led to centralization is man-made—the direction of rail and road systems, freight rates, the expenditure of a great part of the public revenues on public works and amenities attached to the cities and so on. These man-made factors are by no means inevitable, and it is possible to substitute for them measures of a quite different kind.

One major way whereby the Government should assist in decentralization is by ensuring that country people pay only the same for their electricity tariffs as do the people in the metropolitan area. That is the measure required, and I can see no valid reason why the Government is introducing only the present compromise. The only reason I can see is that it is attempting to curry political favour from the country electors at the least possible cost. In 1950, we passed an Electricity Supplies (Country Areas) Act which was in very similar terms to the present Bill except that the limit of the grant was £1,000,000, whereas the limit in the present Bill is £600,000. In spite of Parliament's passing these funds in 1950, the Government did not see any necessity to make grants to the trust until more than 10 years later. In addition, the grant has all been used on one project, namely, the new transmission line linking the South-East with the Electricity Trust's main system. Naturally, I am pleased that the South-East is to be connected with the main system, but I believe that a capital expansion of this magnitude should have been financed from Loan funds and not from a £1,000,000 grant from revenue.

In recent years the trust has had a revenue surplus in the vicinity of £400,000 a year, which indicates that it is in a sound financial position to carry a substantial portion of the cost of reducing the country electricity tariffs, but now we are asked to grant an additional £500,000 to the Electricity Trust, plus a further £100,000, if it is required, making £600,000 in all on this occasion. These provisions are covered by clause 2, but we have not been supplied with any evidence that the trust is not able to afford the reductions. Apparently the

Premier was embarrassed by the surplus revenue funds in the Treasury at the end of June, 1962, which disproved that his Government had done everything to overcome the unemployment position in South Australia, and he is using this Bill as a means of transferring some of the surplus funds to the Electricity Trust.

Clause 3 provides that the grants shall be used only in accordance with the terms and conditions as laid down by the Treasurer. A general provision of this nature proved to be unsatisfactory under the similar Act passed in 1950 and is the reason for the Opposition amendment that has been submitted. The amendment should be made to clause 3 to make it clear that the Treasurer has only to make grants to the Electricity Trust and other country electricity suppliers if they reduce their charges and bring them into line with what is being charged in the metropolitan area.

I indicate that there should be an amendment substituted to make the position clear. On the redrafting it will be necessary to consider the following:

In clause 3 to delete "such terms and conditions as the Treasurer shall determine" and insert the following words in lieu thereof: "the condition that the trust or other country electricity supplier as the case may be to which any such sums or amounts shall be credited or paid shall in respect of electricity supplied by it charge to consumers of such electricity no higher rates than the charges made by the trust to the consumers of electricity in the city of Adelaide."

This amendment is necessary to make it clear that the Treasurer has only to make grants to the Electricity Trust and other country electricity suppliers if they reduce their charges and bring them into line with what is being charged in the metropolitan area. I refer to the Electricity Supplies (Country Areas) Act, 1950, which provides, in section 3, as follows:

(1) The Treasurer may from time to time make grants to the Electricity Trust for the purposes mentioned in this section.
(2) Every such grant—
(*a*) shall be made upon terms and conditions agreed upon between the Treasurer and the Electricity Trust;
(*b*) shall be used by the Electricity Trust to defray expenditure incurred by the trust in generating electricity for supply to consumers in sparsely settled areas, and in transmitting and distributing electricity to such consumers.

The term used "agreed upon between the Treasurer and the Electricity Trust" sounds very nice. An attempt was made in 1950 to provide relief, but it appears that most of the money was used for transmission purposes and not as proposed for the benefit of country people. Last year Government members said it was high time that country consumers were relieved of some of their electricity costs, and a motion was submitted regarding the matter. To what extent should country consumers be relieved in this matter? What would the cement company at Angaston save in electricity tariffs if it paid the same tariffs as industries in the metropolitan area? Is this another attempt by the Government to retard decentralization? Every consideration should be given to assisting country electricity consumers. I do not know why the trust surplus of £400,000 should not be used in the interests of consumers. I have pointed out what I think should be included in the re-drafted Bill, but I do not know whether it meets with the Government's approval. I move to amend the Premier's motion "That this Bill be now read a second time", as follows:

To leave out all the words after the word "That" and insert in lieu thereof the words "the Bill be withdrawn and redrafted to provide that a condition of the receipt by the trust or other country electricity supplier of subsidy payments shall be that charges for electricity to country consumers shall be at no higher rates than those charged by the trust to consumers of electricity in the metropolitan area".

The SPEAKER: Is the amendment seconded?

Mr. HUTCHENS: Yes.

The SPEAKER: The question is "That the words proposed to be struck out stand part of the motion".

Mr. COUMBE (Torrens): I support the Bill and oppose the amendment. I do that because I am in full sympathy with the claims of country residents for a reduction in tariffs, which the Bill provides. The Bill seeks to decrease the cost of electricity to country consumers, but the effect of the amendment would be to increase the cost. It is as simple as that, because the effect of the Bill, in essence, is to subsidize certain country areas in order to reduce the tariffs applicable there. If the amendment is carried we shall have this curious anomaly. A reduction in all country tariffs to the present level of metropolitan tariffs would have to be met in some way, and as the trust has no internal resources or the available cash there would be only two ways in which the funds could be obtained. One would be to get extra money from Parliament.

We discussed this matter at length last week when considering the Loan Estimates. It was found that £2,300,000 was provided by Parliament from Loan funds. If further moneys are to be made available something must suffer. The other way would be to raise city tariffs. It is plain that that would have to be done because the report of the Electricity Trust for the year ended June 30, 1961, Parliamentary Paper No. 64, states:

To reduce country tariffs to metropolitan levels would cost about £500,000 per annum. This could not be met without an increase in revenue so that the over-all result would be an increase in metropolitan tariffs.

It is stated clearly that to achieve a tariff reduction in the country would cost about £500,000 a year, unless further money were voted by Parliament.

Mr. Lawn: We were told today it would be about £1,000,000.

Mr. COUMBE: Not by me.

Mr. Lawn: From your side of the House.

Mr. COUMBE: I am quoting from the official report of the Electricity Trust for the year ended June 30, 1961.

Mr. Lawn: It is in *Hansard* as coming from your side.

Mr. COUMBE: The official report of the trust says that it would cost £500,000 as at June 30 last. It would obviously cost more today. The report also said that in order, therefore, to obviate loss of revenue the trust would have to increase domestic tariffs in the city. Let us examine the position. The extra funds necessary to bring the metropolitan and country areas under a uniform rating system would result in city tariffs being raised. I made that point when I commenced speaking. I am in favour of a reduction in country tariffs. I want no mistake made about that, and that is why I am supporting the Bill, but I object to the metropolitan and city rates being raised to subsidize lower country tariffs. If the city and metropolitan rates were increased one of the main items increased would be domestic tariffs and I do not know how any member representing metropolitan constituents could advocate that a housewife should pay more for her domestic requirements. I am opposed to that suggestion. A further effect would be that the housewife would pay increased tariffs every time she cooked her family's evening meal and every time she used her hot water system. How sincere are members of the Opposition when they advocate an amendment that will have this effect? What would their supporters in the city think of this proposal when they found it would increase tariffs?

Domestic tariffs are only one factor in this question. Another big consumer of electricity in the city is industry and the immediate effect of this amendment would be to increase the power bill of our factories. That, of course, must be passed on to the consumer because the cost of production would be greater. I would be most interested to see how any metropolitan member would defend increased industrial tariffs. I know that the member for Unley is familiar with the electrical trade and he would have a first-hand knowledge of this subject. I would be interested to hear how he would justify the reasons for such an increase to his constituents.

The increased cost to the consumer is not the only factor to be considered. The trust is always on the lookout for more and more consumers, but it is meeting increased competition from other fuels. The oil companies are promoting a vigorous campaign for substitute fuels. Oil is replacing electricity in many industrial undertakings for heating purposes and it is well known that factory heating appliances use much electricity and that this consumption is valuable to the Electricity Trust because the power can be used in off-peak periods. Fuel oil will make greater inroads into the use of electrical appliances. Gas, also, will have an increasing effect on the use of electricity. I have pointed out the effect on the consumers of increased rates for domestic and industrial use in the city and metropolitan area and I am completely opposed to any increase. Why should there be an increase? The trust has indicated that the resultant increase in its costs would be about £500,000 a year.

During an earlier debate I said that we have not experienced an increase in electricity charges in South Australia for 10 years and we are the only Australian State that can make that proud boast. Actually, country areas have enjoyed progressive reductions in tariffs over that period due to a rearrangement of zones and general adjustments in tariffs. If the original subsidy Bill is examined we will find that South Australia enjoys the lowest electricity tariffs in Australia with the exception of Tasmania, which has hydro-electric power, that being the cheapest method of generating electricity. This Bill sets out to provide the lowest tariffs in the Commonwealth and that represents a mighty achievement. I support the Bill because it will result in

definite tariff reductions for country consumers.

I am sure that the Leader's amendment will have the result I have suggested, not what he proposes. Under the terms of the Bill money will be provided for various country undertakings and they will be progressively subsidized over a period of years. The second reading explanation set out a schedule to this effect. Many of those country undertakings will be subsidized and many of them will be acquired. They will be able to reduce their tariffs, but without this Bill reductions would be impossible. I believe that the trust has plans to reduce certain country tariffs progressively by re-arrangement of the zones and general adjustments of the tariffs. Those plans will take some years to achieve, but this Bill aims to speed up the process and I cannot see how any country member can genuinely vote against the Bill, which would reduce country tariffs.

The Hon. Sir Thomas Playford: The Leader's amendment would defeat the Bill.

Mr. COUMBE: It will be defeating the Bill, which, in effect, sets out to reduce country tariffs and I do not know how Opposition members could justify such a stand to their constituents. At the same time, I cannot see how a metropolitan member could support an amendment which would increase the tariffs of his contituents and I would be interested to see how members opposite can justify the position I have posed. I vigorously oppose the amendment suggested by the Leader of the Opposition.

Mr. Lawn: Can't the trust meet the cost without increasing the price to the consumer in the metropolitan area?

Mr. COUMBE: I do not think it could. Where would it get the money from?

The SPEAKER: Order! This is not question time.

Mr. COUMBE: A programme of £2,300,000 is provided for and that would be too much for the trust to meet out of its own resources. Therefore, I do not think any member can afford to vote against the Bill.

Mr. HUTCHENS (Hindmarsh): I support the amendment moved by the Leader. I listened with some interest to the honourable member who has just resumed his seat and was amazed at his statement that he could not understand country members voting against a possibility of a reduced tariff in country areas. Obviously, he has a short memory. I was not here last year, but I have read *Hansard* reports of the proceedings and, apparently, an excellent opportunity was afforded members from country districts to vote for a reduced tariff. They asked questions about it and then voted against it.

The honourable member said he doubted the sincerity of members on this side of the House. I do not doubt the sincerity of members opposite. I believe they are sincere in what they say and do and are here to give sincere representation and, when they make a move, they make it in the belief that they are moving in the best way to assist the development of this State. We on this side of the House are operating and moving in the same spirit. Therefore, I think it is unfair and unreasonable for an honourable member to reflect upon the sincerity of members when they do something contrary to his belief. The honourable member was equally incorrect when he said that we were advocating a move that would compel the housewife and the industrialist in the metropolitan area to pay more. This is said without examination of the facts and, as the member for Stuart has just suggested to me, it is a red herring. We on this side of the House are concerned about the great need for decentralization of our population and industry. If I remember aright from what I read of last year's debate, the Premier in replying to the Leader of the Opposition made the position clear by saying that one of the most important things that anyone who was proposing to establish an industry in the country would want to know was what the electricity tariff would be. If one were contemplating setting up industry in South Australia, one would immediately compare the tariff rates in the country and the metropolitan area, and naturally he would come to the metropolitan area. Finance is always a problem. We have heard the figure of £500,000 mentioned to meet the cost, but the fact is that in other countries of the world, as in Australia, industries have to be developed in the country areas. Money is, of course, scarce at the moment but the Electricity Trust has a surplus of £400,000, so we are getting somewhere near the mark of the money required to meet the situation.

Mr. Jenkins: Was not that amount absorbed by higher wages?

Mr. HUTCHENS: The member for Torrens referred to the great competition between oil and gas and pointed out that, among other things, we have the lowest tariff in Australia

except for Tasmania. If this competition is as keen as he would have us believe, why is not the competition between oil and gas meeting with great success in the other States? I do not think it is, and we have heard nothing about it. If it was, evidence would have been produced to that effect. This matter is important in regard to the decentralization of industry and population. We are all keen to see successful decentralization although we have differences of opinion on the way in which it may be best achieved. For that reason, I think this is an opportune time to assist and provide for the development of the country, for we shall not get people into the country or develop it until we can supply those areas with the services they need, and at a charge equal to that made in the metropolitan area. Having studied the position, I believe our amendment is acceptable and it should be examined.

Mr. MILLHOUSE (Mitcham): I want to make my position as a metropolitan member clear. First, it seems to me that the effect of the amendment of the Leader of the Opposition (which, incidentally, I oppose) would be to lose the Bill altogether. Perhaps you, Mr. Speaker, will correct me if I am wrong on this. This is rather an unusual amendment but, apparently, if we pass this amendment, the Bill is withdrawn and redrafted, and thus the whole purpose of the Bill is lost altogether. Trying deliberately to lose the Bill altogether seems to me a strange way to go about helping the country consumers, but that appears to be the effect of this amendment.

I warmly favour the principle of the Bill and, for the moment, will say no more about it than that; but we should bear in mind the cost that this will mean to South Australia. It is set out in the Premier's second reading speech when he explained the Bill. He said that it would cost the Government £300,000 and would cost the trust another £660,000. That is nearly £1,000,000 to reduce the country tariff to within 10 per cent of the metropolitan tariff; this is £1,000,000 to do what we propose in this Bill. What the Opposition apparently wants, after the Bill has been lost, is to reduce the country tariff still further to an equality with the metropolitan tariff. If it is going to cost £1,000,000 to reduce it to within 10 per cent, it will cost substantially more to reduce it to equality with the present metropolitan tariff; it must do.

Mr. Loveday: Do you know how much more?

Mr. MILLHOUSE: No, I cannot tell the honourable member offhand, but he can work it out for himself. If these figures I have referred to are accurate, to reduce the tariff by a further 10 per cent would obviously substantially increase the estimate of £960,000, which the Premier set out in his second reading speech. It is not necessary to carry it further than that but it must be obvious, even to the member for Whyalla.

Mr. Loveday: If I can work it out, why can't you?

Mr. MILLHOUSE: All I am saying is that to reduce the tariff to within 10 per cent of the city tariff would cost £960,000, and to reduce to parity would cost substantially more. I invite the member for Whyalla to give his estimate if he can do so. Where is that money coming from? I suggest that it must in one way or another come out of the pockets of consumers in the metropolitan area, through an increase in the metropolitan tariff. In fact, if one tariff is decreased the other will rise. I represent a metropolitan electorate in which there are probably 40,000 people, and there are other larger metropolitan districts. What has the trust said about this? Who are the people who will suffer if there has to be an increase in the metropolitan tariff? The member for Torrens (Mr. Coumbe) has already quoted parts of the Electricity Trust's annual report for last year, and perhaps I should quote the two paragraphs in full, for the benefit especially of members opposite. This is what the trust said in its report: "There is, on occasion, considerable demand—"

The SPEAKER: Order! The honourable member is not going to read the whole of the report?

Mr. MILLHOUSE: No, Sir, only two short paragraphs, with your permission. It reads:

> There is, on occasion, considerable demand for a uniform tariff throughout the State. To reduce country tariffs to metropolitan levels would cost about £500,000 per annum.

That amount represents a reduction to the trust's own consumers. Under this Bill, of course, there would be a reduction not only to consumers of the trust but to consumers of all the other country electricity undertakings that are set out in the Bill. That is why the figure would be a great deal higher than the £500,000 mentioned in the report. It goes on:

> This could not be met without an increase in revenue so that the overall result would be an increase in metropolitan tariffs—

Perhaps the metropolitan members opposite would take very careful note of that—

> and in the tariffs of the cheaper country areas.

My friends of the country whose districts will be affected will undoubtedly take note of that, too. It continues:

Industrial tariffs are at present comparable with similar tariffs in the Eastern States, and the trust could not support a policy of increasing industrial tariffs and thus placing South Australian industry at a competitive disadvantage. In order, therefore, to obviate loss of revenue the trust would have to increase domestic tariffs and, apart from the question of policy involved, this might well defeat its own object by loss of business to competitive fuels which are readily available in the metropolitan area. Apart from the direct effect it would also have an indirect effect since electricity is one of the basic items in the cost of living.

That is what members opposite propose: deliberately to increase the cost of living in the metropolitan area. That is the only inference—an irresistible inference—in the Opposition's amendment. That is a most extraordinary thing for a Party which contains, I think, nine metropolitan members deliberately to do, and yet that must be the effect if their proposals are taken seriously. That is something which is most undesirable, and I certainly could not support it. The report which I have read out mentions the question of competition from other fuels. I happen to know—because I have checked up on it in the last hour—that at least one big industrial concern in the metropolitan area is seriously considering generating its own power because of the present cost of power from the Electricity Trust.

Mr. Riches: How would that firm get on paying 10 per cent more?

Mr. MILLHOUSE: No decision has yet been made, but it is obvious that if the cost of industrial power did go up in the metropolitan area that would be an added incentive to that concern, and, I understand, to at least one other concern, to generate their own power. I am no expert on the matter, but I should think that it would be completely undesirable, in the interests of the Electricity Trust and of the generation of electricity within this State, that there should be independent generation by the people concerned.

Mr. Frank Walsh: What sort of an expert are you?

Mr. MILLHOUSE: In view of the fact that the Leader has moved his amendment I might well ask him what sort of an expert he is. If the Electricity Trust's report is to be believed, and if the deductions I have made (which I believe are irresistible) are accurate, then it is a completely futile and stupid move. I oppose the amendment.

Mr. BYWATERS (Murray): I think all honourable members in this House desire a reduction in electricity tariffs; I do not think anyone would doubt that.

The Hon. Sir Thomas Playford: It is a funny way of showing it, to vote against the second reading.

Mr. BYWATERS: If the Premier will allow me to get started, perhaps I may be able to explain the position. It appears to me that there is a difference of opinion as to the amount this reduction will cost. When we suggest something or move in a certain direction, the Premier always threatens, "If I don't get my way, out she goes, and that is the finish of it."

The Hon. Sir Thomas Playford: I have not made any threats.

Mr. BYWATERS: The Premier just made a threat by interjection a moment ago, when he said that this was a funny way to go about it.

The Hon. Sir Thomas Playford: What threat have I made? Give the chapter and verse of it.

Mr. BYWATERS: In effect, the Premier said—

The Hon. Sir Thomas Playford: The honourable member said that he thought all members were in favour of a reduction, and I said that was a funny way of showing it, to vote against the second reading. That is not a threat.

Mr. BYWATERS: I was saying that I believed all honourable members would support a reduction in tariffs. I give all honourable members credit for that. Last year we on this side of the House moved a motion for this very purpose, but the Premier said that no reduction was possible. The reasoning of the Government on that occasion was that tariffs in the city would have to be raised immediately and no extensions would be possible in the country because of the extra cost involved. On that occasion it was stated that such a reduction would cost £500,000, and that is the figure shown in the trust's report. However, tonight we hear that it will cost about £1,000,000 to reduce the tariffs to a level 10 per cent higher than the metropolitan tariffs. Clause 2 of this Bill states that the Treasurer shall pay the sum of £500,000 to the Electricity Trust by way of a subsidy for this purpose. This matter revolves around the fact of whether or not we can afford to reduce the country tariffs. There is no suggestion, as the members for Torrens and Mitcham have suggested, that we equalize the tariffs by raising city tariffs.

The amendment is that the country tariffs be brought down to the level of the city tariffs.

Mr. Millhouse: How can that be done?

Mr. BYWATERS: I thought I had just explained that. Last year the amount was stated to be £500,000, but today for some unknown reason it has gone up to over £1,000,000.

Mr. Millhouse: It is perfectly obvious, if you study the position.

Mr. BYWATERS: Perhaps the honourable member can explain it, but his interjection is not very satisfactory to me. Last year the figure of £500,000 was suggested, and this year it is so much more. We all agree that people in industry in the country areas are at a disadvantage because of the high cost of electricity; I do not think anyone would disagree with that statement. The member for Mitcham (Mr. Millhouse) said that an industry in the city was thinking of generating its own power because of the cost of power in the city area. If that industry were in the country the cost would be even greater still. The Leader of the Opposition referred to a cement firm in the Barossa Valley, and the General Manager of that firm told me that it cost him £10,000 more through being in the country than what it would have cost him in the city.

The Hon. D. N. Brookman: Why did that firm move there?

Mr. BYWATERS: Because the stone was there. I am not saying that he is complaining, but it would cost much more to establish in the country than in the city. Another industry which did not have the raw materials would not go to the country because of the additional costs. We have industries in country areas which are at a disadvantage because of the extra cost of electricity. It is our policy (and we have made no secret of it, it having been mentioned in our election speeches) to reduce country tariffs to the level operating in the metropolitan area.

The Hon. D. N. Brookman: By some magical means without increasing city rates.

Mr. BYWATERS: The Government said that it could not be done, but now we are getting somewhere towards it, and at some future date it will happen. At the end of last session it was said that it was not possible. We were told that it would cost the Electricity Trust £500,000 extra, but now we find that £600,000 is to be provided for that purpose. I consider that it could be done and the Government has no need to say, "If the Bill is defeated at this stage, it will be out for all time."

The Hon. D. N. Brookman: You are misrepresenting the Government and the Premier in saying that.

Mr. BYWATERS: If I am, I apologize. It is my assumption, but I hope that that will not be the position. If the amendment is carried the Bill will go back for re-drafting.

Mr. Heaslip: Are you opposing or supporting the Bill?

Mr. BYWATERS: Some people get funny ideas! According to the amounts shown in the report of the Electricity Trust, it could be afforded. I support the amendment because I think it is possible. The Government has nothing to lose in re-drafting the Bill according to the amendment.

Mr. QUIRKE (Burra): I support the Bill as drafted and oppose the amendment. On this occasion the Opposition's pony is a piebald. They must now regret having moved the amendment. I want to submit something from the country angle. I could produce, but the Speaker would not allow me to exhibit it in the House, a section map of the whole district of Burra, which the Electricity Trust has divided into zones for the supply of electricity. Each zone is shown with a date on it, indicating the time when it is proposed to electrify each zone with the single wire earth return system. Until now the trust is slightly ahead of the programme. These schedules are based on charges now being made and the capacity to get the money to recoup it for its capital expenditure of putting electricity into those areas. Every one of those country schemes covers a standing charge in addition to the charge made per unit of power. The standing charges are signed up for 10 years.

In spite of the expenditure involved, country electricity charges have been reduced, and reduced by bringing zone 4 back to zone 3 and so on, in which the rate is lower. That is going on all the time. In my district people want electricity and do not want any reduction of charges that will jeopardize their chances of getting that electricity. If a census could be taken on the question of reducing the price, resulting in delaying an electricity supply for 12 months or two years, I know what the decision would be. I know that in other country districts the trust has drawn up zones the same as in Burra.

Mr. Loveday: Has the trust ever said that that is the alternative?

Mr. QUIRKE: No, I am saying that.

Mr. Loveday: How do you know?

Mr. QUIRKE: I know. I am getting requests from people who do not mind the present price: they want the power. Hundreds of people in those zones have signed petitions for the supply of power. If they can get it at the present price, they will be happy. They know that the trust's policy is to reduce charges wherever possible. It has been said by other members that in South Australia electricity charges have been reduced progressively. I would not vote for anything that would jeopardize the chances of country people getting electricity. Under the Bill they will pay a lower charge, and in order that they should get it the Government will subsidize the trust to enable it to reduce country charges to within 10 per cent of city charges.

Mr. Jennings: Where is that in the Bill?

Mr. Lawn: It is not in the Bill.

Mr. QUIRKE: It is in the Minister's second reading explanation.

Mr. Lawn: It is not there either.

Mr. QUIRKE: The object of the Bill is to reduce country charges. Country people would be happy with the proposal. Is it not right and proper that if there are to be reductions in the country the money should come from general revenue? If we are to maintain existing prices in the metropolitan area, then the trust must be subsidized from general revenue. The expense of extending electricity into country areas compared with electrifying a single street in Adelaide is colossal. S.w.e.r. lines cover miles, and perhaps a mile or two separates one homestead from another. The quantity of wire and the number of poles required to connect two households under those conditions would be sufficient to supply a whole street in Adelaide. These costs are terrific and the trust has met them from its own funds. I will not vote for anything that is against the trust's scheduled programme for the country, which the trust is adhering to faithfully. I will vote for the Bill knowing full well that what is proposed is in the direct interests of country consumers and not something that is nebulous. From it each individual consumer will get a benefit. If the amendment is carried the Bill will be destroyed. I will not vote for anything that will destroy the trust's capacity to maintain its existing programme for the benefit of country consumers. I do not think that any person in the country who is now without electricity would want the programme changed to prevent him from getting electricity at an early date. I support the Bill and oppose the amendment.

Mr. LAWN (Adelaide): I would not have risen but for remarks by members opposite. First, they set out to misrepresent the amendment moved by the Leader of the Opposition. Secondly, they made similar statements to those they made last year and said that if the amendment were carried it would curtail country extensions of electricity supplies, and that generally speaking country residents would be worse off. That is deliberate misrepresentation. I want to point out what our Standing Orders demand. We would have supported the second reading of the Bill and moved in Committee to amend it, but the Standing Orders preclude that.

The Hon. B. H. Teusner: You did not know that at the time.

The SPEAKER: The honourable member for Adelaide!

Mr. LAWN: I do not know what the member for Angas is talking about. When the Leader of the Opposition submitted his amendment we knew that we could not wait for the Bill to be read a second time and then move the amendment. We knew that in accordance with Standing Orders we had to move it as an amendment to the question regarding the second reading.

The Hon. Sir Thomas Playford: If members carry the amendment, it will defeat the second reading.

Mr. LAWN: The Speaker may correct me if I am wrong. He alone interprets Standing Orders. I say definitely that they preclude us from supporting the second reading and then moving our amendment in Committee. This is a money Bill, requiring appropriation of funds, and amendments to it can be moved only by Cabinet Ministers and not rank and file members. That is the answer to the criticism by Government members. They are misrepresenting our amendment and suggesting that it would defeat the Bill, whereas we want the Government to redraft the Bill and improve it. We are forced to take this action because of the Standing Orders, and I had no part in drafting them. I do not condemn the Standing Orders. They might be good in this regard. I am pointing out why we were forced to move as we have done. On previous occasions, instead of introducing a Bill to give effect to what we wanted, we had to move a motion setting out what was the opinion of the House.

The Standing Orders prevented us from introducing a Bill. Last session we moved "That in the opinion of this House country tariffs should be reduced to the level of metropolitan tariffs". We did not have the power to introduce a Bill.

Mr. Clark: The motion we moved last year is responsible for the Bill we have now.

Mr. LAWN: That is so. Government members should not believe that they can fool all the people all the time. A private member, and this includes the Leader of the Opposition, cannot move to amend a Bill of the type now before the House. That is why we moved the motion last year asking the Government to introduce the Bill. Now we are forced to move an amendment to the question about the second reading. I have explained what we did last year and why we are moving as we are today. It is said that our amendment would kill the Bill and prevent the extension of country electricity supplies. The member for Torrens said that it would mean an increase in city tariffs.

Mr. Ryan: They said that last year.

Mr. LAWN: Yes, and they are saying it again now. May I put the member for Torrens right? The amendment asks that the Bill be withdrawn and redrafted to provide that a condition of the receipt by the trust or other country electricity supplier of subsidy payments shall be that charges for electricity to country consumers shall be at no higher rates than those charged by the trust to consumers of electricity in the metropolitan area. A member of this place is elected to carry the banner of his Party, and I am at a loss to understand how the member for Torrens can say that what I have read out means an increase in city tariffs. I put him in the same category as the member for Gouger, who sits not far from him. Government members have also said that what we propose cannot be done. If I am wrong in my statement, challenge me! Government members who have spoken on the Bill and who oppose the amendment say it cannot be done. Silence reigns! I accept the challenge that it cannot be done because of cost.

Mr. Coumbe: We say we want to reduce country costs. You do not agree with that?

Mr. LAWN: I am going to fully answer the honourable member and any other member who says it cannot be done. There is the report of the Auditor-General, and also the Premier's speech in this debate, which the member for Stirling did not listen to or read. I pointed that out earlier and told him he did not know what the Premier said.

Mr. Jenkins: I know what the Premier said.

Mr. LAWN: The honourable member does not know. I asked whether the cost of what is proposed could be carried by the Electricity Trust, and it was said that it could not be carried. Some years ago I referred to this matter when the member for Burra was an Independent or, rather, was occupying that seat as an Independent. The then member for Light was Mr. George Hambour, and I advocated that country electricity consumers could, within three years, receive their power at the same rates as those applying in the metropolitan area. I maintained that that could be done in that time and Mr. Hambour agreed with me outside the Chamber.

Mr. Clark: He was pretty forcible about it here too.

Mr. LAWN: Mr. Hambour had considered electricity charges in his district. He was continually up at the Electricity Trust of South Australia in his capacity as an intermediary for his constituents. Also, in this House he was continually raising the question of the trust's charges. He agreed that, spread over a period of three years, the trust could carry the additional cost arising out of reduced country tariffs if those tariffs should be made the same as city rates. That was in 1958-59 and at that stage a considerable wage increase was granted. This point has been raised by Government members and the member for Stirling (Mr. Jenkins) said that any surplus would be eaten up by wage increases.

Mr. Jenkins: I made my interjection when the member for Hindmarsh said that the £400,000 surplus could pay for that additional £500,000 subsidy.

Mr. LAWN: And the honourable member said the surplus would be eaten up by wage increases. Wage increases were granted in 1959 similar to those agreed to by the trust last year. The overall cost to the trust in each case was the same, but in 1958-59 the trust earned a profit of £469,000 after complying with an award of the Arbitration Court. In 1960 the trust earned a profit of £468,000. I shall not refer to the Auditor-General's reports for those years, but the wording is similar to the report I now refer to for the year 1961, which states:

The funds employed in the undertaking at June 30, 1961, amounted to £87,154,000, an increase of £6.388,000 compared with the previous year. Over the past four years, the funds employed have increased by £22,706,000

or 35 per cent. As a result of an overall reduction in fuel and generating costs, further expansion of the undertaking and the sound financial position, it was possible for the trust to meet wage adjustments and other increased costs without any rise in tariff charges. A new farm tariff introduced in August, 1960, resulted in an average reduction of 10 per cent in charges for rural electricity.

Let me pause at this point. In 1958 there was a substantial wage increase but the trust's surplus was £469,000. A year later the surplus was £468,000. The following year, 1961, the Auditor-General said:

As a result of an overall reduction in fuel and generating costs, further expansion of the undertaking and the sound financial position, it was possible for the trust to meet wage adjustments . . .

In other words, the trust had entered into an agreement with the unions for wage increases without incurring a tariff increase and, at the same time, it gave a 10 per cent reduction in the country. We were told last year that that could not be done. If the Opposition had suggested this amendment in 1958 we would have been told that this could not be done because the wage increase would absorb the surplus. We were told the same thing in 1961 and we are told it again now. However, even though we are told these things, the Government told the trust to reduce tariffs by 10 per cent last year. After meeting all these costs in the last financial year the trust netted a surplus of £414,000, according to the Auditor-General's report.

Since 1958 the trust has been able to meet all increases and one item, the greatest item of them all not mentioned by members of the Government Party, is interest charges. It is all very well to refer to wage increases and to say that they will absorb any profit, but not even one member has pointed out that the greatest increase in the last five or six years has been interest charges. The trust has been able to absorb all these charges and has still shown the profits I have referred to.

The trust is one of the most efficient undertakings in South Australia and, because of its efficiency, it is able to meet additional costs from year to year and, this year, it has entered into a voluntary agreement to increase wages.

Mr. Quirke: But you still don't agree with its statement?

Mr. LAWN: I am relying on the Auditor-General's statement and if the honourable member maintains that the trust has produced a statement conflicting with the Auditor-General's report I will still accept the latter report. I do not know that there are two conflicting statements, but I rely on the Auditor-General's statement submitted to this House. I suggest that the Auditor-General's 1962 report will be in terms similar to those in his 1958 report. The Auditor-General went on to say that the accumulated surplus over the years retained by the trust and used in the undertaking was £2,911,000. Despite all wage increases, the 40-hour week introduced during its period of operation, increased annual leave, long service leave allowances and substantial increases in interest charges, the trust has over the last 10 years accumulated £2,911,000. I do not think there is much need for me to go into other matters dealt with by the Auditor-General. I have referred to sufficient in his report to make my point that over the years, despite all that has been presented regarding wage increases and the payment of substantial interest rates, the trust has been able to maintain a surplus of over £400,000 each year. The honourable member for Torrens has stressed, even at this late stage, that this cannot be done. I am certain, from what the Government supporters have said, that they do not know what the Bill contains. While I am on that, let me point this out to the member for Burra and other members on the opposite side of the House who have spoken about the 10 per cent. He said (and I challenged him) that, if this Bill is passed, it will cut the country tariff down to 10 per cent above that operating in the metropolitan area. I asked him to show me the authority. Plenty of other members opposite have not spoken yet. The honourable member has more Parliamentary experience than I have and knows as well as I do that, when we vote on this question, we are voting for the motion and/or the Bill. We are not voting on what the member for Burra says or on what the member for Adelaide says or on what the Premier says. This is what the Bill says—and I have heard the Premier say many things over the air and have read his statements in the *Advertiser*. In the *Advertiser* I read that this Bill would be introduced and it would reduce the country tariff to 10 per cent above that operating in the metropolitan area, but the Bill does not say that. I will read the whole of clause 3, otherwise someone may say that I read only a certain portion. It states:

Out of the moneys so paid to it—

that is the subsidy that the Bill provides for—

and any further moneys which may be provided by Parliament for the purpose, the trust shall during each of the five financial years commencing with the financial year ending on the

thirtieth day of June, one thousand nine hundred and sixty-three, credit to its own revenues such sums, and pay to other country electricity suppliers such amounts, as the Treasurer may from time to time direct and upon such terms and conditions as the Treasurer shall determine.

I have read that to prove that I am not attempting to mislead the House or our people. It continues:

Provided that the aggregate amount which shall be credited to the revenues of the trust in pursuance of this section shall be three hundred thousand pounds and such additional amounts as the Treasurer may direct in respect of any country electricity undertakings which the trust takes over during the said five financial years.

What this Bill provides is that the trust shall credit to its own revenue such sums and pay to other country electricity suppliers such sums as the Treasurer may from time to time direct and upon such terms and conditions as the Treasurer shall determine. That is what we are voting on—not 10 per cent at all. It could be 25 per cent.

Mr. Ryan: It could be nothing.

Mr. LAWN: It could be the same as is applicable in the metropolitan area. Do members opposite realize that, if a Labor Government was applying this Bill, it could under its terms give effect to our amendment.

Mr. Shannon: You would wreck the whole electricity undertaking.

Mr. LAWN: The honourable member has wrecked himself.

The SPEAKER: Order!

Mr. LAWN: All members opposite by challenging our motion that this could not be done would be wrecking themselves because they do not know what their own Bill contains. If this Bill passed and became an Act and at an election next year the Labor Party was returned to the Government benches, we could operate that Act to give the people just what we are undertaking to give the people tonight—and the members opposite are voting for it! The member for Alexandra (Hon. D. N. Brookman) says that what we are asking in our amendment cannot be given effect to. His Government's Bill provides the power (I emphasize that) to a sympathetic Government to give effect to our very amendment—and yet members opposite say we are wrecking the Bill! Their Bill provides what we are asking for but we know that this Government will not implement the terms of our amendement; otherwise, it would not oppose it. The Premier would have got up and said, "I accept your amendment", or at least he could have said (if the Government was really sympathetically inclined to our amendment but honestly and sincerely felt that just at this moment it could not give effect to it), "I ask the House to support the Bill because clause 3 provides the Government with the very power that members opposite are asking for in their amendment. We do not feel at present that it can be done but, if you pass the Bill, I assure the House that within six months or 12 months the Government will carry out the terms of the amendment."

Government members do not know what the Bill provides. It does not provide for a country tariff 10 per cent above the metropolitan tariff: the Premier decides, not this Parliament. The member for Gouger (Mr. Hall) is prepared to support this Bill, which takes away the people's right to say what the country tariff shall be and vests the power in one man, the Master, the only man they know. Do honourable members expect Bills like that to be passed as Acts of Parliament in a democratic Parliament, where one man is the dictator? No! And that is what the Government's Bill provides—not 10 per cent above the metropolitan tariff. Members opposite may have read that in the *Advertiser* or heard it in the Premier's telecasts—but he promises you the world. He has told us about the standardization of railways, and everything else.

The SPEAKER: Order! That is not in the Bill.

Mr. LAWN: When we vote on this question, we are voting on the Bill and on the amendment. I now come to another point made by the Premier which, obviously, Government members did not hear or have not read. Members opposite say that all the profit of the Electricity Trust is going to absorb the recent wage increase. This is what the Premier said, and it is recorded at page 552 of *Hansard*. On August 15 referring to clause 3, which I have just read out, he said:

Clause 3 provides that the trust shall, during each of the five years commencing with the present financial year, credit to its own revenue and pay to other country electricity suppliers such amounts as are approved by the Treasurer.

That, again, emphasizes the point I made just now that he, and he alone, will decide the effects of this Bill. He continued:

The total to be paid to the trust's revenues over the five-year period will be £300,000.

I expect that members opposite believe it will be £500,000 to start with and £100,000 a year. That is what I gather from hearing what they have said about it; that is their interpretation.

The Premier continued:

The cost in the first year for reducing the trust's country tariffs as proposed is estimated at £160,000—

not £530,000, as mentioned by the member for Torrens (Mr. Coumbe) tonight—although, to be fair to him (I do not want to misrepresent him), he was referring to complete reductions to those applying in the metropolitan area. I see he is nodding his head. He believes that the passing of the Bill will bring the country tariff down to 10 per cent above that of the metropolitan area. The Premier said that it would cost £160,000. It will not cost another £400,000 for the other 10 per cent.

Mr. Coumbe: You read the rest of it.

Mr. LAWN: I will read the last sentence again:

The cost in the first year for reducing the trust's country tariffs as proposed is estimated at £160,000, of which the trust will meet £60,000, and the Government subsidy will be £100,000. In the remaining four years it is proposed that payments by the Government will be reduced each year and the cost to the trust will increase until in the sixth year the full cost will be met by the trust. The proposed subsidy payments each year to trust revenue, and the actual cost to the trust, will be—

Then the figures are set out. In the first year the cost to the Government is £100,000 and to the trust £60,000; in the second year the Government and the trust each meet a cost of £80,000; in the third year the Government's contribution by way of subsidy will drop to £60,000, and the trust's contribution will be £100,000; in the fourth year, the Government £40,000 and the trust £120,000; in the fifth year, the Government £20,000 and the trust £140,000; and in the sixth year and thereafter the trust itself will carry the entire cost of £160,000.

The basic difference between the Bill and what we are seeking is that we consider that instead of asking the trust to carry the whole of the increased cost which it will incur by reducing country tariffs, the Government should introduce a Bill which grants an immediate subsidy to the trust. I am sure that the Opposition would support such a Bill. That is the only difference between us. We are asking the Government to reframe its Bill, for we do not think the trust should carry the full cost of the reduced country tariffs. If the Government were to redraft its Bill and bring in another to provide for the reduction of country tariffs to the level of tariffs operating in the metropolitan area and for certain subsidies to the trust, I have no doubt the Opposition would support it.

Mr. Heaslip: And get the money by increasing taxation.

Mr. LAWN: That just shows the honourable member's intelligence. I have just read out to the honourable member the statement made by the Premier. The Premier said that in six years the trust would be meeting all this cost, and that there would be no increased taxes and no Government subsidy, but the member for Rocky River could not understand that. According to what the Premier has told this House, this Bill provides that the Government will in the first year pay a £100,000 subsidy to the trust and the trust itself will meet £60,000 of the cost; next year the Government subsidy will be reduced by £20,000—

Mr. Shannon: The honourable member has just given us the figures and they will be recorded in *Hansard*; we are not going to get them all over again, are we?

Mr. LAWN: In the second year the trust's cost is increased by £20,000 and so on until in the sixth year the trust meets the total cost of giving country residents a reduced tariff, to be determined by one man. I say that is undemocratic. The very people who say that the trust has not the money to do this because all its surplus is going to increased wages are voting for a Bill which provides for something that the Premier says can be done. Under the Bill the trust will meet a cost of £60,000 in the first year, £80,000 in the second year, and £100,000 in the third year, which members are saying cannot be done, yet the Premier says it can be done over a period of five or six years. I did not intend to participate in this debate and would not have done so but for the remarks of members opposite which convinced me that they did not understand the Bill.

Mr. Ryan: They still don't!

Mr. LAWN: If they don't understand it now, they never will. However I should not be surprised if some of them still do not understand it.

The SPEAKER: Order! I think the honourable member had better get back to the Bill.

Mr. LAWN: Very well, Mr. Speaker. Last year we were accused of giving magical reasons for our belief that country tariffs could be reduced. The Premier's own second reading explanation shows that he expects the trust, starting from now, to gradually meet the cost of reducing country tariffs. Since we moved our motion last year there has been a cut of 10 per cent in those tariffs, and according to the Premier's statement they can be

further reduced and the cost can be met by the trust over a period of six years. All the Opposition is asking is: why wait six years? It should be done now. I support the amendment moved by the Leader; as a metropolitan member I am proud to do so.

Mr. LAUCKE (Barossa): I support the Bill. I must remind the member for Adelaide of one very important word in the Premier's second reading explanation—the word "immediate". This Bill offers immediate relief to almost 50,000 country consumers. As the member for Adelaide has referred to the Bill and the second reading explanation, I must point out a part which he has omitted and which embraces the very crux of the whole matter. The trust has over the last 10 years or so had a consistent policy of reducing country tariffs. The number of zones has been reduced from year to year; there have been no increases at all in the metropolitan rates, but there have been consistent reductions in rural tariffs. I am both a domestic and commercial user of power in a country area, and I know just what has transpired in the last 10 years as regards both the domestic and commercial tariffs.

Mr. Riches: You say there has been no increase?

Mr. LAUCKE: In conjunction with that policy of the trust, we must bear in mind the huge sums that have been allocated to rural extensions in this year's Loan Estimates. No less than £1,250,000 has been set aside for rural extensions; last year it was £1,000,000. Country people are concerned first of all that reticulation of power be made to their properties. Then they naturally look to a reduced tariff if it is economically possible and if it is fair to ask the trust to do certain things under certain conditions. I consider that what has been done so far has been most constructive. The trust has provided the channels through which power is taken to rural areas. I note with great pleasure the continuing reductions in tariffs through the years. In his second reading explanation the Premier said:

> The Electricity Trust has been reducing country tariffs over the last few years and had anticipated a policy of tariff reduction in country areas which would, over the next five years, reduce charges for electricity used in country areas to a level much closer to zone 1 tariffs than now applies.

In those words is indicated the trust's intention over the next five years. The Premier continued:

> The Government has examined the trust's proposal and decided that it is desirable to give the country consumers immediate relief by a reduction of charges, so that the tariffs operating for areas outside the trust's zone 1 area will be no higher than about 10 per cent above the metropolitan rates.

That is the whole thing in a nutshell. The Government desires to give immediate relief. To give effect to that, in the first year £100,000 will be allocated from general revenue to the trust, and the trust will provide £60,000. There will be a reduction by the Government and an increase by the trust in each succeeding year, and this will give effect to the 10 per cent reduction right now—in fact, retrospectively to July 1 of this year.

Mr. Hall: If the Bill is passed.

Mr. LAUCKE: The Bill provides the machinery to enable it to be done. This was clearly stated by the Premier, who carries out any promise he makes. It is no light matter for any organization in current times to be able to hold at a given figure the cost of a given commodity. In the last 10 years the trust has made reductions in rural tariffs and has not increased metropolitan tariffs. That is a wonderful achievement in the face of ever-increasing costs, including wages, material and new plant.

Mr. Riches: It has done a wonderful job, but your other statement is not correct.

Mr. LAUCKE: There have been no increases.

Mr. Riches: There have been increases in the metropolitan area (zone 1).

Mr. LAUCKE: Not to my knowledge.

Mr. Riches: I do not blame or criticize the trust.

Mr. LAUCKE: The Bill as drafted will provide certain real and immediate benefits and I hope that nothing will intervene to defer the benefits it seeks to confer. The move of the Leader of the Opposition is ill-advised. We are being given something of real benefit right now. It would be unreal to ask for more than we are receiving at present, both in the matter of tariff rate and power reticulation. I most heartily commend the Government for introducing this legislation. It is a move in the right direction and will be broadly acclaimed in no uncertain manner by country consumers. It is good to see this firm and commonsense businesslike approach to the urgent problem of providing a basic need to country consumers at the highest possible degree of economy. I have much pleasure in supporting the Bill.

Mr. HALL (Gouger): I cast no aspersions on the sincerity of members of the Labor Party, only on their ability to add up figures

or consider certain aspects of our State's economy in relation to the whole of that economy. In this debate we have had another example of how members opposite treat an individual case without any concern for the total good of the State. No-one would deny that we could do all kinds of things if we were able to supply an inordinate sum from the State resources for use by the Electricity Trust. We have to cater for the whole field from our resources.

Mr. Loveday: You agreed with us last year. You advocated it.

Mr. HALL: We have to consider it in relation to the whole of the State and the other facilities that must be provided. I could mention some of the electioneering promises of the Labor Party.

The SPEAKER: Order!

Mr. HALL: If members opposite could promise a tunnel through the Mount Lofty Ranges costing £200,000,000 it would be completely out of character if they could not promise another £1,000,000 or £2,000,000 for an electricity supply. It is just what we would expect from them. We have seen no explanation as to how the money will be obtained—£500,000 or so. This has not been explained, and so the other new scheme also falls to the ground. The member for Hindmarsh (Mr. Hutchens) admits that money is scarce at the moment, so what does he mean by supporting a bigger allocation for this purpose if money is scarce? That is no responsible way to regard the expenditure of this money. It has been put to us that charges could have been reduced last year. The facts are that we did not have the money last year, although we have it this year. Last year we faced a deficit at the time the Opposition's motion was before the House, but owing to supplementary measures by the Commonwealth Government we received an extra grant; therefore, we finished last year with a surplus, and we are dealing with that surplus tonight. Despite the Labor Party's opposition, if the Bill is passed last year's surplus will be allocated to reducing country electricity tariffs, and yet honourable members opposite say we could have done it last year.

I want to make clear the attitude of members on this side to a reduction in country tariffs. The member for Adelaide (Mr. Lawn) gave credit to the former member for Light (the late Mr. Hambour) and several other Liberals for advocating reduced country tariffs. Members on this side (particularly those on the back benches) campaigned vigorously. Last year I went to the trouble of working out from the facts at our disposal how much it would cost to reduce country tariffs. After I had given those figures to the House I recommended that the trust should reduce country tariffs by stages, and that is the important consideration. I think I heard a member remark that I did not say it. That member can read the report of my speech in *Hansard*. If he does, he will see that I did not recommend what the Labor Party wanted: I recommended that country tariffs be gradually reduced and I am pleased that this year there has been a gradual reduction.

The Bill does not equalize tariffs. Last year, after making calculations, I said that to equalize city and country tariffs there would be an increase of about £2 a year for each domestic consumer in the city if no extra funds were available to the trust. In order to effect equalization, funds must be available. They cannot come from the normal funds available to the Government, so they must come from another source. The trust has no other way in which to meet its running expenses. If the Opposition's proposal is adopted it must mean an increase in city tariffs, and we shall never agree to that. We want country supplies to be extended.

The member for Whyalla spoke about the problems of the trust. Its history shows that it uses all the money it can get. It is not accumulating funds. All its money is used in the generation of power and the erection of transmission lines for the benefit of consumers. Increased funds for the trust must mean increased country extensions. The redrafting of the Bill would be an impediment to the implementation of the Government's plan. The Bill is the culmination of Liberal representations over many years. It is not the result of a political move by the Opposition to embarrass some members who have set out the facts in the past. It is the result of representations by members from Liberal districts, and I commend the Government for introducing it.

Mr. McKEE (Port Pirie): When the member for Gouger began to speak I did not pay much attention to his remarks because I did not think it would be fair to criticize a member who had changed his last year's opinion, when he said:

There is no justification for having a different price for country and city consumers. We know that it costs more to take electricity to country consumers than it does to supply

city consumers. I congratulate the Electricity Trust on running its affairs on a businesslike basis, but the trust takes a unit viewpoint of its own business. We must take a viewpoint for the whole of the State.

That is exactly what the Labor Party is doing. As a country member I supported the move last year for the equalization of tariffs in the interests of country consumers, and I now support the amendment. The member for Mitcham (Mr. Millhouse) said that the Bill could be lost altogether if the Opposition did not accept the Government's proposal. People who read his remarks will think that the Government is pulling the bluff and holding a gun at the Opposition. I cannot see anything else but that, when a member says that if the Bill is not accepted it will lapse. What do country people think of it?

Mr. Hall: You are completely misrepresenting the case.

Mr. McKEE: I did not hear the honourable member explain the statement made by the member for Mitcham. Not even one member who has spoken after the member for Mitcham has said that that member did not say that the Bill would be lost and that the country consumers would not get a reduction in tariffs. I read in the press the other day that Senator Nancy Buttfield said that we in South Australia were using gangster tactics.

The SPEAKER: Order! Senator Buttfield has nothing to do with this debate.

Mr. Jennings: Thank goodness for that!

Mr. McKEE: During the election campaign the Labor Party told the people that what it proposed could be done and would be done. The election results proved that the people had confidence in what they were told. We shall tell them again, if the amendment is defeated, that it can be done and will be done. The Premier said that extra country charges were needed for country extensions. I point out to him that the development of electricity supplies in the country is not as vast as his Government would like people to believe. Country people are paying for developments in the city. I think of the electricity supplies made available to industries at Elizabeth and in the metropolitan area. I can prove that transmission lines from Port Augusta to Adelaide cross land where the owners have no electricity. Those districts have been asking for the power for years. That is a weak argument to advance and the people will not swallow it. I know of the country position and the member for Stuart (Mr. Riches) will verify my statement that country people have been asking for electricity for years to use in their homes and to operate their farms. It is useless to suggest that the extra cost incurred by country people is for the purpose of greater development in the country. On the contrary, the extra cost is retarding country development, because industry will always operate in places where it can obtain cheap electricity. A similar comment applies to preferential fuel prices.

I believe that an industry desired to go to Mallala, and I do not know whether the extra electricity charge was the reason for its decision not to go there, or whether the member for Gouger did not make proper representations. Country people provide most of this State's wealth, but members opposite are retarding prosperity in the country and that could be part of the programme to further gerrymander the electoral system, because Government members know that an increased country population often brings an atmosphere that could have an adverse effect at election time.

The Hon. D. N. Brookman: Are you for or against this Bill?

Mr. McKEE: I am for the amendment to the second reading motion.

The Hon. D. N. Brookman: The amendment merely negatives the Bill.

Mr. Clark: How does it negative it?

Mr. Heaslip: You read it.

The SPEAKER: Order! The member for Port Pirie.

Mr. McKEE: I should like to read in any country newspaper of members opposite going to their constituents and telling them that they are not entitled to decreased electricity tariffs because they live in the bush, yet that is what members opposite have advocated tonight. They have opposed a privilege for their constituents.

Mr. HALL: I object. I support this Bill.

The SPEAKER: Order! The honourable member for Port Pirie will take his seat. Is the honourable member for Gouger raising a point of order?

Mr. HALL: The allegation has been made that I opposed this Bill, but I support the Bill, and I said so tonight.

The SPEAKER: What is the point of order the honourable member has to make?

Mr. HALL: It is not true to say that I opposed the Bill tonight.

The SPEAKER: The member for Gouger has taken exception to the remarks made by the member for Port Pirie and I ask him to withdraw them.

Mr. McKEE: If the member for Gouger said that I said he opposed the Bill that is entirely wrong.

Mr. FRANK WALSH: I raise a point of order under Standing Orders that, whilst Government members have indicated that they support the Bill and Labor members are unable to support the second reading of the Bill, I see no merit in the point of order raised by the member for Gouger and other members who say we are opposed to reduced country tariffs.

The SPEAKER: Honourable members, in developing their arguments, can make fair comments, but the point is that the member for Gouger has taken exception and I must, under Standing Orders, ask the member for Port Pirie to withdraw.

Mr. McKEE: I did not say it.

The SPEAKER: Will the honourable member for Gouger bring up in writing the words he has taken exception to?

Mr. HALL: I won't commit that to writing because it may not be grammatically correct, but all members of the House would know—

The SPEAKER: Order! The honourable member may not debate the question. If he does not raise a point of order, I call on the honourable member for Port Pirie.

Mr. McKEE: In order to clear the mind of the honourable member for Gouger I shall repeat what he said. He said there was no justification for having different prices for country and city consumers. That is what I said he said. I said the honourable member supported our motion by saying those few words last year. It had nothing to do with our amendment or the Bill so I hope the honourable member's mind is clear on that issue. However, for the benefit of the State generally, we should try to encourage industries to go into the country, but if we maintain the present charges people will not go to the country.

Mr. Jenkins: The rates are being reduced.

Mr. McKEE: But it is not good enough. There is no reason why prices should not be equalized. I support the amendment.

Mrs. STEELE (Burnside): In rising to support the Bill I pay a tribute to the Electricity Trust and its officers for the part they have played in the expanding economy of this State, because the trust's transmission lines penetrate into remote areas and have brought city amenities to country dwellers and aided rural industries. The Bill is to reduce country tariffs to within 10 per cent of the charges paid in the city. That is acceptable to country consumers, and the Premier has explained how the cost of this reduction will be met.

The amendment moved by the Leader of the Opposition has the effect of making tariffs uniform, but I fail to see how this can be achieved. We enjoy electricity tariffs lower than those applicable anywhere else in Australia with the exception of Tasmania and, in the past two years, tariffs there have been increased by 17½ per cent. That increase has been necessary because of increased costs in the introduction of uniform tariffs. It was interesting, therefore, to read in the 1960-61 report of the Hydro-Electric Commission of Tasmania that since uniform tariffs were introduced in that State supply of electricity to country consumers enjoys a considerable subsidy at the expense of town dwellers. That is just what would happen here if the Leader's amendment was accepted.

I cannot help thinking also that, by suggesting a reduction in country tariffs, the Opposition will be delaying the extension of transmission lines to new areas with a consequent loss of increased revenue that will eventually enable the trust to introduce general reductions in tariffs all over the State. In conclusion I wish to say that the consumers represented by metropolitan members will, I am sure, watch with much interest the outcome of this move by the Opposition, and especially the views expressed by their Parliamentary representatives in this debate. They will wonder how reductions can be made in country tariffs without eventual and inevitable increases in the metropolitan tariff. I support the second reading.

Mr. RICHES (Stuart): In an attempt to drive a wedge between country and city interests, the members of the Government party have achieved nothing more than the creation of much confusion on this measure. I do not believe that members would deliberately misrepresent the situation but I do respectfully submit that they have grossly misrepresented it —and that applies to just about every speaker from the other side this evening.

We have before us a Bill that authorizes the Treasurer to make payments to the Electricity Trust from the general revenue of the State for the purpose of assisting the Electricity Trust and other generating authorities in the country to reduce tariffs in areas outside zone 1. That is a desirable object that meets with the approval of every member on this side of the House. I believe that it meets with the

approval of every member opposite. Those who have lived under high tariffs and then had the benefit of living under lower tariffs appreciate, possibly, the change-over more than anybody.

I know the tremendous difference it made to living conditions in Port Augusta when the proximity of the power station there made it possible for our people to change over to the tariff that was operating in the metropolitan area. Anybody who has lived in the country and has had to go without electrical appliances and watch every unit of electricity consumed, and then has had the benefit of city tariffs, can have nothing but the highest praise for any action that will reduce tariffs in country areas—and that applies to the housewife more than to any other section of the community. That is why I thought a little more serious thought could have been given to the matter raised by members on this side than we had from the member for Burnside (Mrs. Steele). A reduction in electricity tariffs is the biggest change that takes place.

Mr. Nankivell: Getting electricity into the kitchen in the first place is a bigger change.

Mr. RICHES: There can be no opposition to that. There has been no opposition to the sums provided by the Treasurer for the extension of electricity services in the country areas. With great respect, I say that that has nothing to do with the Bill at present before us, and members have not contributed anything by trying to confuse that issue.

The member for Torrens (Mr. Coumbe) said he could not understand any member of a metropolitan area voting for the motion moved by the Leader of the Opposition because it would increase metropolitan tariffs. Where does he get that from? What authority has he for making such a statement? Let us look at the position before us. A sum is to be made available from the Treasury—not supplemented by funds available to the Electricity Trust but from the Treasury—for the purpose (so we are told) of reducing tariffs in country centres to within 10 per cent of those in the metropolitan area. We are told that, but it is not in the Bill.

That is the whole text of the Bill, and that is what we are voting on. The Opposition can easily support the Bill. I can, but I query one part, and that is the sum the Government, in the first place, is voting for this purpose. We say that that sum is not adequate to provide the measure of relief that we think ought to be provided in the country centres. It is not sufficient to provide the relief that the member for Gouger (Mr. Hall) said should be provided when he first came into the House. It is not sufficient to provide the measure of relief asked for by country committees all over South Australia. I do not think there is any part of South Australia where resolutions have not been carried asking that the country should enjoy the same tariff as the city. Nobody from this side of the House has suggested in this debate that that need be done out of the funds of the Electricity Trust itself.

Every time an issue like this is before the House the question is raised of where the money is to come from. I joined that chorus last week, but I have not got an answer yet. We have just completed the debate on the Loan Estimates, when we were told that every penny that could be squeezed out of the Commonwealth Government or the Loan market was secured and had been allocated in these Loan Estimates; but in the very same breath three other major projects were outlined to us, running into millions of pounds of expenditure, and nobody has asked where the money is coming from. We were told that, if the tariff was increased in the metropolitan area by as much as even one per cent, it would have the effect of discouraging industries coming here and might have the effect of turning industries away from the metropolitan area. I believe that to be true. If that is true, that one per cent above the J tariff will chase or force industry out of the metropolitan area, what will 10 per cent or 50 per cent do in the country districts? In fact, I do not think there is any tariff for purely industrial purposes on the Electricity Trust schedule as high as 10 per cent above the metropolitan tariff now. It is the housewife who, through the domestic tariff, is paying; that is where the big increase is.

Mr. Nankivell: What about the Pinnaroo tariff?

Mr. RICHES: Does the honourable member think the Pinnaroo tariff is as high as that? On which line is that? The honourable member means "industrial"?

Mr. Nankivell: Yes, industrial.

Mr. RICHES: It is 5d. at Pinnaroo, running down to 2s. 6d. In the metropolitan area it is 4s. 2d.; but in the case of the domestic tariff (and I mention the impact of this on the kitchens) the difference is between 7.5d. and as much as 1s., and in some cases 1s. 6d. I do not know that the tariffs were ever

below that. The point is that Parliament is appropriating a sum of money in order to bring about a reduction of tariffs in these country areas. The difference between the Bill and the Leader's motion is that the Leader has asked not that the Bill be defeated but that it be redrafted in order to make adequate provision to equalize the tariffs throughout the State by bringing all of the State on to zone 1 tariff now.

To say that we are asking that the metropolitan tariffs be increased is not putting the position honestly at all; to say that we are asking that the trust should be burdened with the additional increase is not putting the case honestly at all; and to say that our request that the Bill be withdrawn so that the same tariff should apply in the country is preventing a reduction in country areas as in the city is as near to gross misrepresentation as members could get. I am looking straight at the member for Torrens when I say that, because he was the one who tried to make that point. Another extraordinary procedure, to my way of thinking, has been adopted in this Bill. Instead of asking Parliament to give a blank cheque, there should have been some mention in the Bill about the amount of reduction which even under the Bill the House thinks should be passed on to country districts. However, there is no mention of any figure or any percentage, and there is no schedule to the Bill. In his second reading speech the Premier listed certain areas that could benefit. Why could this information not have been placed in the Bill?

Mr. Shannon: In his second reading explanation the Premier merely mentioned private suppliers in the country, and he went on to say that if members could tell him of any other eligible private suppliers he would be happy to add them to the list.

Mr. RICHES: Unfortunately, Standing Orders prevent the Opposition or any private member from introducing the type of amendment the Opposition would like to see introduced, and that is why the motion is in the form that it is. The Opposition has to present its case and trust the Government to redraft the Bill to provide equal treatment for our people throughout the State. Nothing has demonstrated to my satisfaction that that is impossible to achieve. I know that the member for Gouger (Mr. Hall) has been converted, but he must have been converted at a Party meeting because no information has been given in this House that would convert any reasonable member. I am open to conviction on the matter, as I hope I am on most things. If it can be shown that the State cannot make this provision, then I will have to reconsider my opposition to the first part of the Bill. I still think the Bill should contain a schedule, and that it should be redrafted to provide for that.

Thursday after Thursday on television and radio new works are being proposed; people receive this information with a great deal of enthusiasm, but nobody asks where the money is to come from. I hope the House takes seriously the amendment that has been moved by the Leader, having due regard to the expressed opinions of the people throughout the State. I believe that the Government, by introducing the Bill in its present form, has already demonstrated that it has some sense of the need and the value of the desire expressed by the Leader of the Opposition. We ask the Premier to appropriate a larger sum of money and to make the levelling down process complete.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer): I do not usually reply in a debate on a Bill unless some new point emerges, and, of course, since I explained the Bill on the second reading a new point has been introduced which alters the whole character of the debate. The Bill provides a subsidy to the Electricity Trust of £500,000 to achieve a certain purpose—and the purpose is set out clearly in the second reading explanation. The Opposition has moved that the Bill be withdrawn.

Mr. Riches: And redrafted.

The Hon. Sir THOMAS PLAYFORD: Yes. The Opposition has moved that the Bill should be withdrawn and redrafted to provide something which at present is a financial impossibility. If the Bill is to be withdrawn and redrafted, I do not know of anyone who can provide, with the money available, the sum the Opposition wishes to be provided. The member for Torrens (Mr. Coumbe) and other metropolitan members are correct when they say that if we are to reduce the country tariffs to the metropolitan tariff it can be done only by a general review of tariffs. The sums involved are large sums, not small ones.

True, last year honourable members on this side of the House expressed the view that we were not able to do the thing which we are this year proposing. However, I point out that since then the Commonwealth Government made a substantial sum available to the State which we were able to place in our Budget,

with the result that our operations realized a surplus of just over £500,000. That £500,000, and no other money, is what is available for this purpose.

The trust last year had to meet considerable additional payments, and it has informed me that it would not be able to do what the Opposition desires. The additional cost involved over the five-year period would be about £2,000,000. Therefore, if Parliament is not prepared to accept the Bill in its present form, I say that it is a financial impossibility to carry out the Leader's proposal because the Revenue Estimates will be brought down next week and they will show a substantial deficit. The State Budget cannot stand an additional penny to help in this matter. Honourable members have the alternatives, if they want precisely the same rates in the country as in the city, of raising the general taxes of the community, of raising the general level of charges, or of taking money available to the trust under its Loan programme to finance its deficit that would arise under equal tariffs for the country and the city.

I do not think any honourable member would suggest that we curtail extensions of electricity supplies. Indeed, some members have said that the trust's extensions are not going forward fast enough. I will not accept any curtailment of extensions in the country. I am not in a position to provide additional funds for the Electricity Trust.

Mr. McKee: That was never suggested.

The Hon. Sir THOMAS PLAYFORD: It is so easy for the honourable member to say, "Spend more", but he never takes the trouble to see where it is coming from. The sum involved in this matter is a large one, and I point out that it affects not only the trust itself, but a considerable number of other supplies that have been provided in various districts under franchise. Any honourable member who votes for the amendment of the Leader of the Opposition will be voting to defeat the Bill because it is not financially possible at present for the State's Budget to undertake extra commitments. Some honourable members quoted many figures tonight, but they got tangled up in figures because in some instances they quoted a figure in respect of an annual payment, forgetting that this proposal is not something in respect of one annual decrease in electricity charges but something that is a permanent reduction. They may say, "We shall bust up the £500,000 that we have and give country consumers a glorious reduction this year", but I point out that they will be up against it again next year.

Mr. Riches: Or have a similar subsidy next year.

The Hon. Sir THOMAS PLAYFORD: But I have already pointed out that the Budget is not in surplus. The £500,000 envisaged under this Bill arises out of the last Budget surplus. For the current year we shall have a Budget deficit, and we cannot provide the trust with such a large sum out of a deficit. Even the member for Enfield (Mr. Jennings) should be able to understand that.

Mr. Jennings: How are you going to "go it alone" on another matter?

The Hon. Sir THOMAS PLAYFORD: When I told the South Australian public that we would go it alone on another matter I said we would have to make reductions in other projects. We shall have to make economies in other directions. When I was speaking about the Polda Basin—

The SPEAKER: The Polda Basin is not mentioned in this Bill.

The Hon. Sir THOMAS PLAYFORD: I am pointing out to the member for Enfield that we can go it alone on another matter by making economies elsewhere. However, no member is suggesting making economies as far as Electricity Trust charges are concerned. If the House in its wisdom orders that this Bill be withdrawn and redrafted, it can only be redrafted in its present form or cease to be a Bill. The negotiations that took place with the Electricity Trust were over a long period, and I have heard some wise remarks from the member for Port Pirie (Mr. McKee) in which he said that in the future the trust would make a larger amount available for the purpose envisaged. That is true, but that can only be made available as the trust gets a bigger percentage of its plant with a higher rate of efficiency. Then, in the years ahead, it will be able to take progressively a bigger proportion of the cost of this reduction in charges.

I have a report from the Chairman of the trust setting out the position as he sees it, but honourable members can take my assurance that the Budget cannot provide additional money this year. Only about £3,000 of last year's surplus was not appropriated to the trust, and the large amount made available to the trust has enabled the Government to bring down this Bill. The Budget for the current year will not be able to stand further assistance, and the trust is faced with much

greater expenditure this year. I point out that last January the trust made reductions in country charges of its own volition costing £150,000. Then in July another reduction in standing charges on country extensions cost £30,000. It is interesting that since 1953 there has been no increase in general charges for electricity, but there have been four decreases, every one of them in the country.

Last year one honourable member behind me asked, "What is the matter with increasing city tariffs in the interests of an equalization of charges?" I point out in the first place that the Electricity Trust is not without competitors today. Indeed, it has keen competition, and every customer the trust loses increases its unit cost. It means that the remainder of its customers have to pay a bigger percentage of the capital costs of each unit, so that anything that takes away customers from the trust has a detrimental effect on all its remaining customers. Members may criticize the trust for opposing alterations to awards, but in industrial matters the trust should always fight the issue in order to get fair and reasonable conditions. Alterations to awards cost the trust much money. One cost the trust about £220,000 and another about £80,000. There is another award that is now awaiting a decision. Any member who votes for the withdrawal of the Bill in order that it might be redrafted, and does not vote for the second reading, is voting for its defeat. I hope members will accept my word and will not try to destroy the Bill, which I believe will provide much benefit to country areas.

The SPEAKER: The question is the motion by the Premier "That this Bill be now read a second time", from which motion the Leader of the Opposition has moved to delete all the words after "That" and to insert in lieu thereof the words "the Bill be withdrawn and redrafted to provide that a condition of the receipt by the trust or other country electricity supplier of subsidy payments shall be that charges for electricity to country consumers shall be at no higher rates than those charged by the trust to consumers of electricity in the metropolitan area".

The House divided on the question "That the words proposed to be deleted stand part of the Premier's motion":

Ayes (17).—Messrs. Bockelberg, Brookman, Coumbe, Hall, Harding, Heaslip, Jenkins, Laucke, Millhouse and Nankivell, Sir Baden Pattinson, Mr. Pearson, Sir Thomas Playford (teller), Messrs. Quirke and Shannon, Mrs. Steele and Mr. Teusner.

Noes (17).—Messrs. Bywaters, Clark, Corcoran, Curren, Dunstan, Hughes, Hutchens, Jennings, Langley, Lawn, Loveday, McKee, Riches, Ryan, Tapping, Frank Walsh (teller), and Fred Walsh.

Pairs.—Ayes—Sir Cecil Hincks and Mr. Freebairn. Noes—Messrs. Casey and Ralston.

The SPEAKER: There are 17 ayes and 17 noes. There being an equality of votes I cast my vote in favour of the ayes and the question so passes in the affirmative.

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

ADJOURNMENT.

At 10.19 p.m. the House adjourned until Thursday, August 30, at 2 p.m.