

HOUSE OF ASSEMBLY

Wednesday, November 20, 1968

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

DISTINGUISHED VISITOR

The SPEAKER: I notice in the gallery His Excellency the Ambassador of Japan in Australia, Mr. Fumihiko Kai. I know it is the unanimous wish of honourable members that His Excellency be accommodated with a seat on the floor of the House, and I invite the Premier and the Leader of the Opposition to introduce our distinguished visitor.

Mr. Fumihiko Kai was escorted by the Hon. R. S. Hall and the Hon. D. A. Dunstan to a seat on the floor of the House.

PERSONAL EXPLANATION: LICENSING BILL DEBATE

Mr. LAWN (Adelaidé): I ask leave to make a personal explanation.

Leave granted.

Mr. LAWN: In this morning's *Advertiser* the following statement appears on page 3:

Voting for Mr. Evans's amendment were—and then are listed the names of members who allegedly voted for this amendment last evening. Among the names are the name of the member for Wallaroo and my name. Neither of us voted for this amendment: we voted against it. The *Hansard* report reads as follows:

The Committee divided on the question "that 'twenty' be inserted":

Among the names then listed for the Noes are the name of the member for Wallaroo and my name. In fact, the member for Wallaroo was teller for the Noes. I ask the *Advertiser* to make the necessary correction.

QUESTIONS**POLICE PENSIONS**

The Hon. D. A. DUNSTAN: Approaches were made to our Government and to the present Government by the Police Association of South Australia regarding the Police Pensions Fund. The association desired that an amendment be made to the present provision to provide that invalidity for reasons other than injury received at work should be placed on the same basis as invalidity through injury received during the course of employment, the association desiring that its members be placed in a position similar to that of members of the Public Service in relation to pension

entitlement on this score. In reply to a letter from the association on September 18, the Chief Secretary said that he expected legislation to be introduced during this session. However, there have been some warnings from the Government that all that has been planned for this session may not be achieved. Will the Premier say whether we can expect that a Bill to amend the Police Pensions Act to cover this aspect of entitlement will be introduced this year?

The Hon. R. S. HALL: The Leader is correct in saying that it will be impossible to legislate this year for all matters before Ministers at present. However, I will obtain from my colleague a progress report on the drafting, if that is the case, of any legislation he is considering in relation to this matter.

NARACOORTE OFFICES

Mr. RODDA: Numerous officers are employed by various Government departments in Naracoorte and although, from time to time, I have raised the question of the need for a suitable office block, this accommodation is not forthcoming. These officers do valuable work, particularly in the Agriculture Department, and this department suffers the greatest disability because of the lack of office space. To alleviate the situation and to enable this department to employ all the officers it requires in the Naracoorte district, which makes such a valuable contribution to the State's economy, will the Minister of Works consider leasing certain premises, which I know are available, in order to provide the necessary accommodation for these valuable public servants in Naracoorte?

The Hon. J. W. H. COUNBE: I am aware of these conditions and I recall that negotiations have been proceeding for some time in an effort to obtain additional accommodation in Naracoorte. I am sure the honourable member realizes that this additional accommodation will have to be provided in premises other than those in which the officers are now accommodated. I hope to announce the completion of an agreement, probably next week, concerning this matter, and I believe that then the accommodation in Naracoorte will be better than it is now. Also, the member for Mount Gambier is aware that negotiations were commenced about two months ago to provide a better standard of accommodation for members of the Public Service in Mount Gambier, and these are proceeding apace.

CONTAINERIZATION

Mr. GILES: Has the Premier replies to the questions I recently asked him about containerization?

The Hon. R. S. HALL: The answer to the first question depends upon what is meant by container ship. The United Kingdom to Australia container service to be inaugurated by Overseas Containers Limited and Associated Container Transport next March will operate between Tilbury in England and Fremantle, Melbourne and Sydney in Australia, at which ports specialized terminals are nearing completion. The nine cellular container ships specially constructed for this trade will certainly not call at Adelaide. On the other hand, most of the non-British shipping lines will continue to operate in and out of Port Adelaide, with "Scandia" or similar type unit-load ships, and these vessels will handle all the container traffic to and from Europe and America that they can secure. The A.N.L. will operate an interstate roll-on-roll-off service between Adelaide and Melbourne, and the vessel involved will also handle containers.

Secondly, most of the unit-load vessels will carry their own lifting gear and the A.N.L. is providing a 25-ton crane at the roll-on-roll-off berth in No. 3 dock. However, the possible provision of a portainer crane at Nos. 18, 19 and 20 berths is being seriously considered by Cabinet. In the meantime it will be possible to utilize the 60-ton floating crane or hired cranes.

Regarding the question "When will the service start?" again the answer depends upon what is meant by the service. Containers have been moving through Port Adelaide in small numbers for over 12 months now, and the number is increasing. The O.C.L./A.C.T. container service to Tilbury from Melbourne is due to commence in March, 1969 (weekly sailings). Freight rates, which have been spiralling upwards for years, should be held to a large extent by containerization. In this way the benefits of containerization should be shared by the shipowner, consignor and consignee.

Most of the containers in the U.K. trade will go to and from Melbourne by rail, some by road and a few by sea in the A.N.L. company's roll-on-roll-off vessel. Container traffic with countries other than the U.K. will be carried in unit-load and other vessels calling at Port Adelaide until such time as the volume of traffic with Australia justifies a consortium of ship owners setting up a specialized container ship service to a particular locality.

There never was a freight advantage so far as the Conference Lines is concerned, as a common freight from all Australian capital ports to the U.K. has operated for years. This situation will continue.

The answer to the final question is "Yes". Refrigerated containers for perishable cargo will be available. Twelve electric power outlet points are to be provided at the rear of Nos. 19 and 20 berths, Port Adelaide, to service refrigerated containers awaiting shipment.

SECONDHAND DEALERS

Mr. VIRGO: On September 18, I referred the Attorney-General to a letter I had received from the Marion council in which concern had been expressed that a person could set up business as a secondhand dealer merely on an application to the Police Department and on obtaining a licence, without any consideration whatever to the fact that the applicant might operate in a residential area, contrary to the council's desires. On that date, the Attorney-General replied:

Although I have no immediate recollection of the matter, I will certainly oblige the honourable member by investigating it and by giving him a reply, which I am sure will be to his satisfaction.

The letter, which was forwarded to me, was also forwarded to the Attorney-General, and I have a photostat copy of it. As two months has now elapsed since I asked the question, and as I have heard nothing on the matter, will the Attorney-General say whether he is still investigating the matter and when a reply is likely to be available?

The Hon. ROBIN MILLHOUSE: I am still investigating the matter in an endeavour to give the honourable member the reply I promised him, but I will follow it up now as a matter of urgency.

VALLEY VIEW SEWERAGE

Mr. JENNINGS: Has the Minister of Works a reply to my brief question of last week about compensation for easements for sewerage in the Enfield district and about an alternative route suggested by the Enfield City Engineer?

The Hon. J. W. H. COUMBE: Following the honourable member's question, I have had the matter fully investigated and I am able to give the following reply:

Location of sewer main: The route of the sewer originally selected by the Engineering and Water Supply Department is considered better than the alternative proposed by the Enfield City Council as it is the more direct,

involves less total length of sewer, two fewer manholes and gives better operating conditions. However, the department is prepared to locate the sewer main against the northern boundary.

Easements: (a) The claim of \$650 for compensation for a number of easements over recreation grounds vested in the council is being reviewed and as soon as a decision has been reached a further report will be made to me on the matter, and I will inform the honourable member accordingly. (b) A sum of \$100 was claimed as compensation for the grant of an easement in a small reserve in Darling Street, Para Vista. After taking into consideration the dimension of the block and the compensation of \$20 a block accepted by other landholders in the area, the Engineering and Water Supply Department made an offer of \$50 which is considered equitable in this instance.

SEMI-TRAILERS

The Hon. R. R. LOVEDAY: It is well-known that serious accidents, usually fatal to the motorist involved, have been caused by motor cars running into the rear of semi-trailers when the semi-trailers have been either stationary or moving. It has been suggested by a friend of mine who is most interested in road safety that a different lighting arrangement could, with advantage, be made on semi-trailers both when they are moving and when they are stationary after dark. My friend suggested that a fairly large red triangle, suitably lit, should be placed on the rear of the semi-trailers, which presently have only a red light that glows more brightly when the brake is applied. A red triangle would be more distinct and would signify that the vehicle was a semi-trailer. In the case of a stationary semi-trailer there could be a separate reflectorized red triangle of the same size that could be hooked over the one that is lit when the vehicle is moving. It is felt that a distinctive sign of this type would reduce the number of accidents to which I have referred. Will the Attorney-General ask the Minister of Roads and Transport to examine the suggestion and obtain a report for me?

The Hon. ROBIN MILLHOUSE: I agree with the honourable member that accidents of this nature are tragically far too frequent, and I recall that one member of this House was killed in such circumstances some years ago. I will certainly discuss the honourable member's suggestion with my colleague.

NATURAL GAS PIPELINE

Mr. McKEE: A report in this morning's *Advertiser*, under the heading "New Stoppage on Pipeline", states:

The laying of South Australia's natural gas pipeline has been brought to a standstill for the second time in 10 days. About 25 Italian welders stopped work at Mallala yesterday in a dispute over terms of a contract they signed before leaving Italy—the same issue that caused the previous strike.

Will the Minister of Labour and Industry explain the terms of the contract signed by the 25 Italian welders before they left Italy, and will he also say what is the reason for the dispute?

The Hon. J. W. H. COUNBE: I have not seen the terms of the contract, which has been signed between the welders and their contractor, the principal, and which is a matter between those two parties. As I understand the position, a stoppage occurred about 10 days ago as a result of a dispute between the Italian welders and their employer. The dispute was confined to that area: that is, it was a dispute over the conditions under which the welders were working and in respect of which they had signed a contract before leaving Italy. The contract apparently covers their eventual return to Italy, and in that respect does not come within the purview of the Government. I also understand that the principal of the company, Snam Progetti, is also constructing a pipeline into Melbourne from the Victorian natural gas field. He came to Adelaide to negotiate with these men and work was subsequently resumed. The present dispute, I take it, is on the same basis. If the honourable member desires, I will go further into this matter but, as I understand it, it is simply a dispute between the workmen on the one hand and the employer on the other hand.

EGG BOARD PLANT

Mr. CORCORAN: Has the Minister of Lands, representing the Minister of Agriculture, a reply to my question of November 14 about the erection of a processing plant at the South Australian Egg Board's premises at Keswick?

The Hon. D. N. BROOKMAN: The Minister of Agriculture reports that the South Australian Egg Board made application during the previous Government's term of office for a substantial loan, subject to Government guarantee, to establish a major egg-pulping plant. Subsequently, the board made several approaches concerning its building proposals, and submitted propositions regarding provision of the necessary funds. In considering this matter, certain problems relating to the financial aspects of the proposal must be resolved before a firm decision can be made. For

example, the borrowing of a substantial sum of money by the board, subject to Government guarantee, would involve amending legislation, and the probability of repayment being spread over a long term would necessitate action to extend the life of the board for an equivalent period. Certain aspects of the future operations of the board must be considered and, as well, the effect the new venture would have on the South Australian egg industry in the long term. The Government must be satisfied that egg producers would support a long-term commitment of the nature envisaged. In reply to the honourable member's specific question, negotiations have not been concluded, and further discussions will be necessary on the points raised above.

MOUNT GAMBIER NORTH SCHOOL

Mr. BURDON: Some time ago negotiations between the Mount Gambier North Primary School Committee and the Education Department resulted in an agreement for the provision of a new access road and entrance to the school. Will the Minister of Works say what progress has been made on plans for this work and when tenders are expected to be called for this work?

The Hon. J. W. H. COUMBE: Funds have recently been approved for the provision of a new access road to this school. A survey has been undertaken, and survey details will be available shortly to enable design work to proceed for the calling of tenders. It is anticipated that tenders will be called in approximately four to six weeks for the work.

JAMESTOWN PRIMARY SCHOOL

Mr. ALLEN: Representations have been made to me on behalf of the Jamestown Primary School Committee. The head teacher's residence at this school was erected 92 years ago and is considered by the Public Buildings Department to be too old to warrant extensive repairs, although minor repairs are made from time to time to keep the building habitable. Additional rooms are required at the school, and these will take up some of the limited available playing area. In the event of a new residence being provided, demolition of the old building would provide additional playing area for the school. Will the Minister of Education consider providing a new residence for the head teacher at this school?

The Hon. JOYCE STEELE: I shall be pleased to obtain a report on this matter for the honourable member.

FLAVOURED MILK

Mr. BROOMHILL: The Report of the Minister of Education for the year ended December 31 last states that 77 per cent of the children eligible to receive milk in schools and centres are accepting the daily issue available to them. The report also states:

During 1967 flavoured milk was introduced to three schools in the Port Lincoln area as an experiment. The results indicate that more children would participate in the free milk scheme if given the choice of flavoured milk in preference to plain milk.

As I consider this conclusion fairly logical, can the Minister of Education say whether it is practicable to give children flavoured milk if they prefer it?

The Hon. JOYCE STEELE: I shall be pleased to obtain information on this matter and give it to the honourable member at the earliest opportunity.

BETTING REVENUE

Mr. HUDSON: The Treasurer's Financial Statement, presented with the Budget this year, states:

Legislation is proposed during the current session authorizing the abandonment of the winning bets tax on a date to be proclaimed, and, on present indications, that date can be expected to be June 30, 1969. In that legislation the Government would also propose to secure authority from the same date to bring the levels of the tax on bookmakers' turnover and the stamp duty on betting tickets to the levels generally operating in the Eastern States.

Can the Premier say whether the Government intends to introduce this legislation before the Christmas adjournment, and will he obtain for me, in respect of the three months from the beginning of July to the end of September, or preferably for the four months to the end of October, if the figures are available for that period, particulars of Treasury receipts in commissions, fractions, unclaimed dividends, and Broken Hill margins?

The Hon. R. S. HALL: I will confer with the Chief Secretary and the Treasurer and try to get a reply for the honourable member.

TRANSPORT CHANGEOVER

Mr. RICHES: Last week I asked the Attorney-General whether he would get from the Minister of Roads and Transport a report about the changeover from rail services to road services in various areas. I also asked whether in some cases freight rates on the road services were about 100 per cent more than corresponding rail freights, and I asked what was the reason for the postponement of any

scheduled changeovers. Has the Attorney-General yet received that report from his colleague?

The Hon. ROBIN MILLHOUSE: No.

Mr. VIRGO: In trying to induce road transport services to take over and provide bus services to replace the cancelled country rail services, in accordance with the policy previously announced by the Minister of Roads and Transport, the Railways Department must offer considerable inducement. Will the Attorney-General ask his colleague whether it is Government policy to subsidize the road transport services and, if it is, to what extent they are to be subsidized?

The Hon. ROBIN MILLHOUSE: Yes.

INDUSTRIAL COVERAGE

Mr. HURST: The Australian Government Workers Association has membership coverage for animal attendants employed by the Institute of Medical and Veterinary Science, South Australia. The rates of pay and conditions have been covered by an unregistered industrial agreement between the council of the institute and the Government Workers Association. That agreement expired last November, and the parties failed to reach agreement on marginal rates. The association attempted to apply to an Industrial Commissioner for an award, but the Industrial Registrar indicated that such application would fail because the institute was not an industry within the meaning of the Industrial Code. In view of this anomaly, which deprives those employees of access to the State Industrial Commission, will the Minister of Labour and Industry declare by regulation that the Institute of Medical and Veterinary Science is an employer pursuant to paragraph (xiv) of section 5 of the Industrial Code?

The Hon. J. W. H. COUNBE: I understand from the question that negotiations have been proceeding for about 12 months and, although I will call for a report and find out whether I can agree to the request, there may be one or two difficulties about the matter.

KANGAROO INN SCHOOL

Mr. CORCORAN: The Chairman of the Kangaroo Inn Area School Committee recently told me that difficulty had been experienced in getting local contractors to perform the work of modifying the building which previously held the power plant at this school, to provide a canteen. Tenders have been called and specifications for the work prepared, but I understand that one cause of the difficulty

in getting local contractors to tender is the volume of the specification and the amount of work that contractors have to do in order to quote, and that another cause is the distance of the school from any established centre. As it is desirable that this facility be made available at the school as soon as possible, will the Minister of Works consider having the work done by departmental employees?

The Hon. J. W. H. COUNBE: I recall this matter being referred to me, and there were difficulties about obtaining tenders for the work, because of either the situation of the school or the amount of work involved. I also recall giving instructions that other steps be taken to expedite the work, but I will refresh my memory and inform the honourable member privately.

FORESTRY LEASES

Mr. GILES: Has the Minister of Lands a reply to the question I asked by letter about the leasing of forestry lands?

The Hon. D. N. BROOKMAN: The Minister of Forests states:

The Conservator of Forests reports that it has been the policy of the Woods and Forests Department to give the previous owner of the land the first opportunity to rent at an acceptable figure, until the land is required for departmental purposes. The period of such rental varies according to the plans of the lessee and/or the department. In some instances agreement is reached that the term is at least more than one year, in which case a formal lease is usually issued. In other instances the forward plans are indefinite and rental is fixed on a weekly or monthly, or even on an agistment, basis. These arrangements are made to suit the interests of both parties but certainly not in order to avoid legitimate rating by a council.

CLOVERCREST PRIMARY SCHOOL

Mrs. BYRNE: Has the Minister of Education a reply to my recent question about a new primary school at Clovercrest?

The Hon. JOYCE STEELE: As I informed the honourable member informally last week, the question of future action concerning the proposal for a new primary school at the corner of Wright and Kelly Roads, Clovercrest, is being considered. The Minister of Works has again referred the proposal to the Public Works Committee following further inquiries which confirmed that there was no suitable alternative site for this school.

GAUGE STANDARDIZATION

Mr. ALLEN: Has the Premier a reply to my question of November 5, concerning the celebration at Jamestown of the completion of

the standardization of the railway line to Broken Hill?

The Hon. R. S. HALL: Whilst the completion of the track-laying between Port Pirie and Cockburn will be effected at or near Jamestown, no function, such as driving a golden spike, has been planned. However, some thought has been given to a function to mark the inauguration of the Sydney-Perth standard gauge rail services and the honourable member may be assured that its timing would be arranged to suit, as far as possible, all interested parties.

MAGAZINE SALES

Mr. LANGLEY: Recently, I received a letter that concerned door-to-door selling of magazines in this State. For \$13.50 a person receives 20 issues of a magazine, the first about 120 days after placing the order and the others at various intervals over the next two years. Two young people are calling on householders, one being a young fellow who shows a card stating his name and description, but who does not have a sample or list of the magazines. He represents Local Readers Service Proprietary Limited, which is based in Sydney, and it seems that the magazines will be sent direct from the United States of America. Has the Attorney-General received complaints arising from this practice, and will he inquire about the validity of the sales?

The Hon. ROBIN MILLHOUSE: The answers are "No" and "Yes".

INFECTIOUS DISEASES

Mr. BROOMHILL: In the Report of the Minister of Education for the year ended December 31, 1967, I notice with concern that the number of infectious hepatitis cases in schools has increased from 59 in 1963 to 448 in 1967. In previous years when I have suggested the provision of paper towelling at schools for the purpose of hygiene I have been told that there seems to be a doubt that toilet facilities at schools have any bearing on the rate of hepatitis. Will the Minister of Education discuss this matter with the health authorities in her department to ascertain whether it is considered that the provision of paper towelling would help prevent the increasing prevalence of hepatitis?

The Hon. JOYCE STEELE: I shall be pleased to take up the honourable member's valuable suggestion, to refer the matter to the Minister of Health (who controls the school medical services), and to obtain a report for the honourable member as soon as possible.

SOLOMONTOWN OVER-PASS

Mr. McKEE: Has the Attorney-General received from the Minister of Roads and Transport a reply to my recent questions on the acceptance of a tender for the construction of the over-pass at Solomontown?

The Hon. ROBIN MILLHOUSE: No.

Mr. McKEE: I seem to be having extreme difficulty in obtaining from the Attorney-General a reply to questions about highways. As I have not been able to obtain this answer this week, will the Attorney-General say when it will be convenient for me to check with the local press, so that I may be aware of any announcement that is made? As usually happens when I am seeking information from the Minister of Roads and Transport, I ask a question on several occasions and then I read the reply in the press.

The Hon. ROBIN MILLHOUSE: I should have thought the honourable member had been in this House sufficiently long to know the normal practice.

Mr. McKee: That's normal practice.

The Hon. ROBIN MILLHOUSE: Certainly during this session I have notified him and, I think, all other members as soon as I have had a reply from the Minister of Roads and Transport, and I will certainly tell the honourable member as soon as the reply to this question comes to hand. Of course, whenever he asks me a question, knowing well that I do not have the answer, because I have not notified him (and I have to say that I do not have it), this automatically acts as a reminder to the Minister and as a request to him to expedite the reply.

Mr. McKee: It doesn't seem to do any good.

The Hon. ROBIN MILLHOUSE: It may not, and for that I cannot answer, except that I express my regret for it. Concerning the sarcastic implication in the honourable member's question (that he will read the answer first in the newspaper), I seem to recall (and the honourable member will be the first to correct me if I am wrong) that a few weeks ago he made precisely the same complaint and it was then discovered that I had given him the answer the previous week.

FORBES PRIMARY SCHOOL

Mr. VIRGO: Has the Minister of Education a reply to my recent question about the acquisition of additional land for the Forbes Primary School?

The Hon. JOYCE STEELE: True, an area of land with a frontage of 240ft. to Marion Road and a depth of 143ft. which adjoins

the Forbes Primary School has been made available for purchase at a cost of about \$60,000. The school land at present consists of 10½ acres, and the school has an enrolment of 972 primary and 364 infant pupils. The property under offer adjoins the school, but it would not be desirable for the school to have a frontage on to the busy Marion Road. The present schoolgrounds are considered adequate, especially as the school population is decreasing. The school has well developed playing fields, and any proposal to purchase additional land must be considered in relation to schools which have been built on restricted sites. The cost is high, and, in fact, is considerably higher than the average cost of a 10-acre site in developing areas. In these circumstances, it has been decided not to purchase the property. When finance and priorities permit, it is intended to build a solid-construction school building, which was approved by the Public Works Committee in 1965. This project has not proceeded beyond the planning stage because of requirements for schools in rapidly developing areas. However, when it does proceed, the siting of the new building and its construction will enable still better use to be made of the existing grounds.

MOUNT BURR HOUSES

Mr. CORCORAN: Has the Minister of Lands received from the Minister of Forests a reply to the question I asked on November 7 about installing power points in bedrooms of Government houses at Mount Burr?

The Hon. D. N. BROOKMAN: The Minister of Forests informs me that there is no departmental policy which would prevent the supply of power points in bedrooms in departmental houses at Mount Burr. The Conservator of Forests reports that at present, five or six applications are held for such power points, and their installation is restricted only by the availability of labour and by prior commitments to provide power points in kitchens and lounges. Power points in bedrooms will be progressively installed.

SALINITY

Mr. GILES: I have been told that when water is drawn from a reservoir to be fed into a city supply it is taken from various depths in order to mix the various concentrations of salinity, so that when a reservoir becomes almost empty we do not finish up with highly saline water. This indicates that most saline water is in the bottom of any storage or supply.

As one of the most worrying factors in irrigating on the Murray River concerns salinity, will the Minister of Works say whether any thought has been given to allowing the water to go through the bottom of a lock, when water flows slowly in the river, instead of over the top, as this would seem to remove the most saline water and allow it to go out to sea?

The Hon. J. W. H. COUNBE: It is, of course, a wellknown fact, and one that any schoolboy knows, that salt is heavier than water. However, I will examine the aspect to which the honourable member has referred. The department is presently conducting at the Adelaide University some rather interesting experiments into this field concerning the Murray River. This concerns what is commonly called stratification of the salinity: that is, trying to keep saline water concentrated towards the bottom of the stream rather than allowing it to be mixed up because of turbulence. We hope these experiments will be successful but, of course, it will take some time for them to be completed. Although I think it would be rather difficult and expensive to achieve what the honourable member suggests, I will certainly look into the matter for him.

DENTAL CARIES

Mrs. BYRNE: I have in my possession a document, entitled *Feature*, which contains the report of an interview between Professor Bertram Cohen, Director of the Dental Science Department at the Royal College of Surgeons, London, and the Science Correspondent to the British Broadcasting Corporation's European Services (Mr. John Newell). The document states, in part:

Professor Bertram Cohen, Director of the Dental Science Department at the Royal College of Surgeons, London, recently announced progress on a research project which could lead to a remarkable reduction in tooth decay—the world's most widespread disease. The idea is to build a substance called dextranase into sugars and sugar-containing foods which lead to tooth decay. "Dextranase, which is produced by a mould, penicillium funiculosum, dissolves away the main cause of dental caries—a tough, sticky compound called dextran which clings to our teeth and cannot be removed even by vigorous brushing and rinsing," Professor Cohen said. "Although it may not prove to be the complete answer to tooth decay it may go a very long way towards it."

It further states:

Current British experiments on monkeys with the enzyme dextranase, produced by the mould penicillium funiculosum, may revolutionize the treatment of dental caries in man. It can disperse the main cause of tooth decay—

dextran, a sticky compound which clings to the teeth and which no amount of brushing and rinsing will completely remove.

Will the Minister of Works say whether the Government is aware of this report and of the results of the research project referred to therein?

The Hon. J. W. H. CUMBE: Although I am not aware of the report and the experiments referred to, I will ascertain whether the appropriate officers in the Government's medical health service are aware of them, and, if they are, I will inform the honourable member accordingly.

BUILDERS LICENSING COMMITTEE

Mr. VIRGO: The Premier, in the absence of the Minister of Housing, who is apparently out of the Chamber at the moment, may recall that on August 27 and 29 last I asked the Minister questions about the appointment of the advisory committee under the Builders Licensing Act. The Minister said then that a small committee of Cabinet was considering possible amendments and that he expected soon to have received the details of those amendments and to report on any progress made generally as well as in the appointment of the committee. Will the Premier either say or ascertain what progress is being made?

The Hon. R. S. HALL: As the answer is not included in my colleague's question file I take it that as yet a reply has not been obtained. However, I will refer the honourable member's reminder to the Minister and obtain a reply for him.

RELIGIOUS INSTRUCTION

Mr. HURST: Has the Minister of Education received a report on the effects of the withdrawal by the Methodist Church from the system of giving religious instruction in schools and can she say what adjustments, if any, have been made to school curricula as a result of that withdrawal?

The Hon. JOYCE STEELE: I can say at this point only that I have received a letter from the President of the South Australian Methodist Conference intimating his church's intention to withdraw from giving religious instruction in schools. Although he also intimated that some of the other churches might follow, I have heard nothing to that effect from any other churches. I know that discussions have taken place between the Methodist Church and the Director-General, although I personally have not had discussions with any of the churches on the matter. I understand that this will mean much readjust-

ment in preparing school time tables, and so forth. As this is a matter of administrative detail, it is in the hands of the Director-General, who will report to me in due course. I may then be best able to answer the honourable member's question.

SOUTH-WESTERN DISTRICTS HOSPITAL

Mr. NANKIVELL: I understand that the Government has now made a decision on constructing the south-western districts hospital in association with Flinders University, and that discussions have taken place between the Vice-Chancellor of that university and the Director-General of Medical Services on a programme whereby the establishment and development of the medical school and the new hospital can be synchronized. As no statement on the matter has yet been made by the Government, can the Premier outline Government policy and confirm or deny that the position is as I have stated it?

The Hon. R. S. HALL: Knowing the honourable member's interest in the matter, I will give some details of the Government's policy in regard to it. Considerable discussion has taken place on the proposed development of a second South Australian medical school at the Flinders University. It is appropriate now to report progress of the planning for a new medical school and associated major teaching hospital which would be structured to serve the medical needs of those residing in the south-western districts of the metropolitan area. First, it should be pointed out that members of the Australian Universities Commission visited Adelaide several months ago to gather information on university development within this State and, at the time of this visit, informal discussions were held regarding the need to increase the number of medical graduates in the State to keep pace with the expanding needs of the health and hospital services. During these discussions, the Government was asked to examine the possibility of increasing the accommodation at the medical school at the Adelaide University as a possible alternative to the creation of a second medical school at Flinders University. The Director-General of Medical Services was asked to provide a detailed report regarding this alternative suggestion in order to assist Cabinet to arrive at some conclusion on its possible acceptability. In his report, the Director-General of Medical Services expressed the firm view that the long-term benefits to the State by developing a second medical school at Flinders University

outweighed any short-term advantages of expanding enrolments at the Adelaide University and of deferring developments at Flinders. After careful analysis of this report by Cabinet, both the Australian Universities Commission and the Flinders University were informed by letter that the Government would support the development of a second South Australian medical school at Flinders University and teaching facilities within a major hospital adjacent to the university. The Vice-Chancellor of Flinders University and the Director-General of Medical Services were asked to confer as soon as possible on the matter of practical timing for the provision of medical school and hospital services.

Following this re-affirmation of the Government's continued support for the medical school and hospital project at Flinders University, further conferences and discussions have taken place between the Vice-Chancellor and the Director-General and recommendations have now been made to Flinders University aimed at accelerating the preparation of a detailed brief for the architectural team involved in this major project. Joint planning committees have already been proposed in order that the range of services to be provided, the professional staffing structure, the administrative services and the relationships between the medical school and the hospital can be formulated in detail. Some preliminary work has been carried out during the earlier part of this year involving conferences between officers of the Hospitals Department, the Public Buildings Department and the university. In addition, the State Planning Office has prepared a schedule of population estimates for the possible catchment area to be served by the proposed hospital. These estimates cover a period up to 1991. The catchment area envisaged extends from the southern boundary of Adelaide Airport to Moana. The need to develop the teaching hospital/medical school complex as a comprehensive medical services centre for residents and practitioners in the surrounding regions has been kept fully in mind. It is planned not only that the services provided by the hospital will include specialist services but that considerable emphasis will also be given to social and community medicine and to the provision of outpatient, day-patient and domiciliary services.

It must be appreciated that, even at this stage, administrative planning is proceeding in the absence of specific information from the Australian Universities Commission that the development of a medical school at Flinders

University will be supported by the Commonwealth. At this stage the Australian Universities Commission has acknowledged the Government's firm support for this project and has indicated that it will give the matter the most careful consideration. In the meantime, planning is proceeding on the basis of eventual Commonwealth support for this project and detailed considerations of the ultimate functions of the buildings are being undertaken to ensure that the architectural design brief is fully prepared for this major project. Preliminary sketch drawings have been prepared but detailed sketch drawings will need to await the completion of a firm programme of briefing. It is expected that the views of the Australian Universities Commission will be known within the next several months as planning for the expenditure of money during the 1970-72 triennium will need to be finalized soon. Although no firm assurance can be given to members regarding the possible Commonwealth contribution to this important project, I believe there will be general agreement with the Government's decision to support fully the development of the medical school and teaching hospital complex at Flinders University. I undertake to inform members about the Australian Universities Commission's recommendations on this matter as soon as they have been received.

Mr. HUDSON: As it affects my area very much I am pleased to hear that the Government intends fully to support this project. However, as certain matters were not made completely clear in the Premier's statement, I hope he can clarify them for me. First, can he say whether the Government's decision to support this project depends on support by the Universities Commission? In other words, if the commission reports against the establishment of a second medical school at the Flinders University, will the Government still proceed with this project? Secondly, can the Premier indicate when plans for the teaching hospital can be expected to be submitted to the Public Works Committee and work commenced on this most important project?

The Hon. R. S. HALL: I am not sure that I can base a reply on future Government policy on the possibility of a refusal by the Universities Commission. I believe the matter should rest as it is at the moment: we have before the commission a submission that we hope will be favourably received. Therefore, I think it is wrong to talk about alternatives at present and I do not think the honourable

member would deal with the situation in that way if he were in the Government's place. Although I will try to get a reply, I assure the honourable member that I do not intend to prejudice any matters of negotiation in doing so. The reply to his second question must depend to some degree on the acceptance of the proposal by the commission. However, it may well be that the Director-General of Medical Services, in conjunction with the Public Buildings Department, has a reply he can give about the time table, as this aspect will be involved in the submission to the Public Works Committee. If he has, I will obtain it for the honourable member.

Mr. HUDSON: In his original statement the Premier indicated that the Government had decided to support fully the construction of the second medical school at the Flinders University and I, for one, am pleased that this decision has been made.

The Hon. R. S. Hall: Isn't this the same question?

Mr. HUDSON: I have not asked my question, so I do not know how the Premier can determine whether or not it is the same question. Does the Premier's phrase "to support fully the building of the medical school at Flinders University" mean that the Government intends to proceed with this project whether or not it is supported by the Universities Commission?

The Hon. R. S. Hall: It's the same question.

Mr. HUDSON: It is not, and the Premier is not the Speaker.

The SPEAKER: Does the Premier wish to reply?

The Hon. R. S. HALL: I have replied. I will obtain a report for the honourable member.

Mr. HUDSON: It has been the concern of some people connected with the Flinders University and the University of Adelaide in comments that have been expressed to me on this matter that, if the Universities Commission and the State Government approve the construction of a second medical school, this will mean, because of limited finance, the use of all or a good part of the increased money available for the next triennium on the construction of the medical school and the ancillary hospital facilities associated with it and that, as a result, the normal growth of both Flinders University and the University of Adelaide will be adversely affected. My comment, when this point has been raised with me, has been that, if the Government is willing to go ahead with support for a second medical school at Flinders

University, it must be prepared to increase its total financial commitments from its own resources for universities during the next triennium to make sure that the other expanding facilities that are vitally needed in the various other fields in which the two universities work are not neglected. In addition to the Government's decision to support fully the establishment of a second medical school at Flinders University, has the Government also reached the necessary ancillary decision that the normal development of any other course or faculty at either Flinders University or the University of Adelaide will not be adversely affected as a result?

The Hon. R. S. HALL: There are many imponderables in the honourable member's question. For instance, what he calls "normal development" may mean different things to different people. Therefore, I will treat his question as a question on notice, and I will bring down a report for him. I assure the honourable member that the Government will do its best with the resources at its disposal to provide for all of these institutions. Certainly, the provision of the south-western districts hospital, in association with the medical school, is an expensive major project. It will not be provided overnight: it will be spread over a number of years. Construction will not commence next year, but it will be fully integrated in the Government's financial proposals as it develops. I will obtain a reply to the honourable member's earlier question, namely, when this project will be referred to the Public Works Committee. I will also obtain the details of the financial proposals and the building programme.

KADINA HIGH SCHOOL

Mr. HUGHES: Will the Minister of Education say whether the Government has met the full cost of building change rooms and shower rooms at previously constructed schools? If it has, will she ascertain why the Kadina Memorial High School was requested to pay \$10,000 to the department in April, prior to the building of similar structures at that school?

The Hon. JOYCE STEELE: I will obtain a report for the honourable member.

INDUSTRIAL CODE AMENDMENT BILL

The Hon. J. W. H. COUMBE (Minister of Labour and Industry) obtained leave and introduced a Bill for an Act to amend the Industrial Code, 1967. Read a first time.

The Hon. J. W. H. COURCE: I move:

That this Bill be now read a second time.

It increases substantially the penalties that may be imposed by the courts on bakers in the metropolitan area of Adelaide who bake bread at weekends and on public holidays in contravention of section 194 of the principal Act. This provision for restriction on the hours of the baking of bread in the metropolitan area was last year removed from the Bakers Registration Act and inserted in the Industrial Code. Unfortunately, there is a small number of bakers in the metropolitan area who are deliberately disregarding this law, and the relatively low penalties provided in the principal Act which have been virtually unchanged since 1945 seem to have little deterrent effect on these people. At the same time the opportunity has been taken to effect some other minor amendments to the principal Act.

Clause 1 is formal. Clause 2 amends the definition of "industrial matters" and arises from a clerical error in the last clause of that definition. This clause, which commences with the passage "In order to remove any doubt . . .", has a reference in it to paragraph (f) in the body of the definition, and in this context the reference to that paragraph appears meaningless and a reference to paragraph (i) has been substituted. That this was the intention can be seen from the remarks made by the Minister in charge of the Bill last year when he moved an amendment to include this provision in the definition of "industrial matters". He referred, at page 2720 of *Hansard* for 1967, to the fact that there should be no doubt that the Industrial Commission has jurisdiction to determine allowances for members of the Police Force, and the amendment was designed to put beyond doubt the commission's jurisdiction in respect of that and other matters.

Some matters included in the Industrial Code Bill last year were the subject of a conference of managers of both Houses. One such matter was the maximum period in respect of which underpayment of wages may be recovered or ordered to be paid. In reporting on the recommendations of the conference the Minister in charge of the Bill indicated, at page 3408 of *Hansard*, that one of the effects of the recommendations was that wages may be recovered for a period of up to three years. The necessary amendments were made in sections 36 and 89 of the principal Act, but it was overlooked that section 123 also dealt

with the same matter. This was not altered and the period remained as six years. Accordingly, the amendment proposed by clause 3 (a) seeks to alter that period to three years to bring it into line with sections 36 and 89. The amendment effected by paragraph (b) is of a drafting nature. Clause 4 increases the almost nominal penalty of \$50 for an offence against the weekend baking prohibition to the following amounts: (a) first offence a maximum of \$100; (b) second offence a minimum of \$50 and a maximum of \$200; and (c) third or subsequent offence a minimum of \$100 and a maximum of \$500.

Mr. HURST secured the adjournment of the debate.

FRUIT AND PLANT PROTECTION BILL
Read a third time and passed.

ORDER OF BUSINESS

The Hon. R. S. HALL (Premier) moved:

That Order of the Day, Government Business, No. 2 be postponed and taken into consideration after Order of the Day, Government Business, No. 14.

Motion carried.

The CLERK: Order of the Day, Government Business, No. 3: Stamp Duties Act Amendment Bill (No. 3), in Committee.

The Hon. R. S. HALL moved:

That Orders of the Day, Government Business, Nos. 3 to 13 be postponed and taken into consideration after Order of the Day, Government Business, No. 14.

The SPEAKER: The question is "That the Premier have leave to withdraw his previous motion."

Leave granted.

The SPEAKER: The question now is "That Orders of the Day, Government Business, Nos. 2 to 13 be postponed and taken into consideration after Order of the Day Government Business, No. 14."

Mr. HUDSON: I rise on a point of order, Mr. Speaker. What is being moved? The Premier moved that Orders of the Day Nos. 3 to 13 be taken into consideration after Order of the Day No. 14.

The SPEAKER: That motion was withdrawn. The Premier is now moving that Orders of the Day Nos. 2 to 13 be postponed.

Mr. HUDSON: They are not the words the Premier used.

The SPEAKER: I will be the judge of that.

Mr. HUDSON: Well, really, Mr. Speaker—

The SPEAKER: The question is "That the motion be agreed to."

Motion carried.

Mr. HUDSON: You cannot alter the words you used.

The SPEAKER: That was done by leave of the House.

WHEAT INDUSTRY STABILIZATION BILL

Adjourned debate on second reading.

(Continued from November 19. Page 2548.)

Mr. CASEY (Frome): This is probably one of the most important Bills to come before this Parliament. It complements Commonwealth legislation, and similar measures are being introduced in all States to ratify the wheat stabilization agreement. I support the measure. After much consideration, the Commonwealth Government has altered the scheme that was introduced in 1948 by, I remind honourable members opposite, the Curtin Labor Government. Since then the scheme has been of inestimable value to primary producers and in relation to our export earnings.

Because wheat is our second main export earner, the wheat industry must be preserved at all costs. Some time ago letters to newspapers in the Mid North criticized what was claimed to have been a statement by me in this House that subsidies should not be paid to rural industries. I did not say that at all. I was trying to convey to members opposite that a time of reckoning would come eventually and that members of Parliament had a duty to tell the people about the present state of the economy and where we were going. We cannot go on forever subsidizing all our industries. At present our secondary industries are subsidized by more than was contemplated. The tariff protection afforded our secondary industries in the past 10 years is estimated at about \$12,800,000,000, and for the same period the subsidy paid to primary industry was about \$2,520,000,000. These are enormous figures.

However, I have never advocated (and I hope I never will) that subsidies should not be provided for primary industries in this country. If we do not provide these subsidies, how will we earn export income? These items are our main export earners. Recently I attended a conference at the opening in Canberra of Export Week (and the Premier spoke during the gathering) at which it was stated conclusively that, unless we doubled our export earnings in the next 10 years, we

would be in extreme financial difficulties, and the whole Australian economy was centred around achieving that.

One of the best ways to do that is by maintaining our primary industries at a high level of efficiency by subsidizing them so that people can make a living from the land. The Labor Opposition in the Commonwealth Parliament moved to have a one-price scheme rather than a two-price scheme. We will never know whether this would have been in the best interests of the wheat industry as a whole, because the proposal was not implemented. However, Dr. Rex Patterson, M.H.R., who moved that amendment, put his case to the House extremely well. He is a man of undoubted ability, and throughout his speech his reasoning was excellent. He dealt with every aspect of the wheat industry and should be complimented on the manner in which he put his case. He claimed that the cost of production formula used by the Commonwealth Government (and it decides and informs the Bureau of Agricultural Economics how to deal with the matter) might not be correct.

Mr. Nankivell: Does he favour the cost of production?

Mr. CASEY: Yes, but not using the figures of the Bureau of Agricultural Economics, as this bureau was told by the Government to adopt a certain formula. He claimed that the formula was completely wrong and suggested a different method of determining the cost of production factor.

Mr. Nankivell: The new price is not based on the cost of production.

Mr. CASEY: True, but it is based on the Government's attitude to the Bureau of Agricultural Economics, and this is where Dr. Patterson differs from the Government. What he said could be true, but only time will prove that. Under the Bill a new factor differing from the previous scheme is that there is a two-price structure, namely, of \$1.70 a bushel for home consumption and \$1.45 for export. The home consumption price is for 60,000,000 bushels, which was the figure used previously, but for export the Commonwealth Government has increased the quantity from 150,000,000 bushels under the previous scheme to 200,000,000 bushels for the proposed scheme. This is the basic difference between the two schemes. It has been claimed that wheat farmers in Australia have contributed to the economy of the country to a marked degree, and that is true. When wheat stabilization was first introduced by the Commonwealth

Government in 1948, there was a great disparity between export and home consumption prices.

Mr. Nankivell: Who gave the wheat to New Zealand at a lower price?

Mr. CASEY: The stabilization scheme was introduced so that stability could be given to the industry and to wheat farmers. No doubt the scheme has worked well, and since it was introduced about \$110,000,000 has been paid into the fund by growers. According to the Minister for Primary Industry (Mr. Anthony), from 1948-49 to 1951-52 about \$88,000,000, plus interest, was returned to the growers. From 1959-60 to 1966-67, about \$112,700,000 was paid into the fund by the Commonwealth Government. It is expected that this year a further \$68,000,000 will be paid in to cover the next five years although, as Mr. Anthony has said many times, this amount could vary. When the Commonwealth Treasurer (Mr. McMahon) was officially opening the annual conference of the Cold Storage Association of Australia in Canberra, the function was reported in the *Australian* of August 30, 1968, under the heading "Farmers will suffer as they adjust to markets" as follows:

The Treasurer, Mr. McMahon, yesterday forecast a painful period of adjustment for Australian farmers as they meet the national need to produce goods that could be sold profitably on the world market. He said, "Farming seems likely to become increasingly a large scale business operation."

He seemed to be implying that small farmers would be eliminated. The article continued:

He then underlined the Commonwealth Government's intention of discontinuing financial support to rural industries with no prospect of standing on their own feet. He said, "It is up to the producers, and he has got to take whatever action is possible to overcome the difficulties facing the agricultural community."

Perhaps people wondered why the Treasurer did not receive heavy criticism for relaying the punch, as it were, because it seems from his statement that the small farming communities will find the going tough in the near future.

Mr. Ferguson: They are finding the going tough now.

Mr. CASEY: Of course, but, according to Mr. McMahon, it will become tougher. He is the Commonwealth Treasurer and a member of the Liberal Party, so that if the honourable member wants to criticize he should do so to Mr. McMahon. Over the years the wheat yield has increased. I have always advocated, in relation to wheat production and production of all rural products, that the yield must be

increased. No doubt the increase has been brought about by better farming methods, from the fact that we have better agricultural advisers now than we had years ago, and because the farmer has adjusted himself to the task of becoming a better farmer. South Australian farmers are recognized as the most efficient wheat farmers in Australia. I hope that, under this scheme, the wheat farmer will be able to meet the cost of production adopted by the Commonwealth Government. Whether it is the correct method or not is not for me to say: people more experienced in agricultural economics are more able to form an opinion on this matter and Dr. Rex Patterson considers that the Commonwealth Government has erred in relation to the cost of production formula. The Minister of Lands was good enough to inform me that in Committee he will move amendments either to correct certain mis-spelt words or to insert a word at present missing. However, I have much pleasure in supporting the Bill, which I sincerely hope will solve the present problem being experienced by the farming community not only in South Australia but throughout the whole of Australia.

I reiterate that, if any remarks that I have made about the wheat farmers of this State have been taken in an adverse way, they have been taken completely out of context. I defy any member of the Chamber to say that, when measures of this nature have been considered, I have not given them my full and unqualified support. I therefore hope that members of the Party opposite (probably not in this Chamber but in another place) who have seen fit to distort certain remarks that I was supposed to have made will take a second look at the situation in future and use more common sense than they have used in the past.

Mr. NANKIVELL (Albert): I agree with the member for Frome that some form of subsidy is necessary to stabilize the wheat industry, particularly to ensure that some recompense is made to wheatgrowers for charitable donations of wheat made by the Labor Government to the New Zealand and the Australian consumer prior to the setting up of this agreement. I think the value of the gift exceeded \$200,000,000. Wheat was actually made available to other countries at less than the home consumption price. We are presently faced with a critical situation, a fact which I think Mr. Anthony made clear in all his discussions with the wheatgrowers' organizations. Indeed, one cannot provide a price for

a stabilized commodity without the risk of encouraging the production of increasing surpluses which, in turn, will present problems not only to the community but to the marketing authorities in disposing of the produce. I refer to the community here, because the \$1.10 that is to be paid on this present harvest, together with the sum of money that will have to be paid into the fund by the Commonwealth Government, amounts to about \$580,000,000, which will have to be guaranteed by the Treasury.

The provisions in financing this industry have been that the Commonwealth will advance to the Wheat Board a sum of money equated to the forward sales that the board will make within 12 months. In the past this has been a fairly reasonable sort of arrangement. Looking back to 1960, we had a surplus harvest of 274,000,000 bushels, and this built up in 1966 to 467,000,000 bushels, and an estimated 500,000,000 bushels in 1968, before frost and wind damage and the shutting off of the season reduced the yield estimate to about 430,000,000 bushels. I think about 15,000,000 bushels of wheat at present in storage is the quantity that has been carried over from the last harvest. We are now faced with the biggest harvest on record and are not in the happy position at this stage of being able to say, as we were able to say in 1960, that mainland China will take 30 per cent or 40 per cent of our surplus.

In fact, I believe the Wheat Board representatives to China have come away without any agreement concerning forward sales and that Japan also is not committing itself to any purchases. At this stage the board is therefore generally confronted with a situation of having no firm outlets even for a normal harvest, let alone an abnormal harvest such as the one we have at present. I think we must take some warning from this situation, because we cannot expect that this Bill will not be amended at some time in order to enforce certain provisions relating to the restriction of acreages. Unless we can find a profitable outlet, we will certainly not be able to provide the type of storage or capital necessary to pay for harvests of the sort we have had this year.

Mr. Casey: What do we do in that case?

Mr. NANKIVELL: I think we will have to look closely at the provision relating to introducing acreage restrictions and heed the remarks of the Chairman of the Wheat Board

(Dr. Callaghan), who said that farmers would have to be more realistic in their approach to this particular problem.

Mr. Casey: Do you think long-term contracts would be an advantage?

Mr. NANKIVELL: I think they would be ideal. Under the International Grains Arrangement, set up in pursuance of the Kennedy Round, a minimum price is set, and the price we are now fixing is anticipating that that minimum price will be honoured. However, as I have pointed out, most of the purchasing countries at this time are holding off, and I suspect that some may even wish to break this purchasing ring, as the United Kingdom tried to break it a few years ago, by creating a critical situation wherein a country would be obliged to sell. If we have bulging storages here, grain stored on farms, and a debt that has to be repaid, and if we need foreign exchange, even we in Australia may be forced to consider a reduction in the price in order to make sales. As it stands at present, I trust that the producing countries will be firm and that the purchasing countries will honour the agreement entered into. If this does not happen, the cost that will come back on to the country to meet these guaranteed prices will be even heavier than it is at present.

Just before the House met today, I received a most interesting document—a research memorandum prepared by the research officer of the Australian Wheat Research Council that relates specifically to changes in South Australia's wheat industry. The terminal date in the memorandum is 1965-66 and the base year is 1959-60. Since 1959-60 the South Australian wheatgrower has increased the area of his holding by 13 per cent or 259 acres. He has 106 more acres under wheat, an increase of 54 per cent on each property; 216 more sheep, a 32 per cent increase; six more head of beef cattle, a 300 per cent increase; six more pigs, a 75 per cent increase; 11 acres less barley, a reduction of 9 per cent; 10 acres less oats, a reduction of 18 per cent; and 13 per cent of his farm acreage is under wheat, compared with 10 per cent in 1959-60. This indicates that, because of the profitability of wheat and not because this was the only form of production able to take place on a property, people have tended to switch into wheat production as opposed to other forms of production. They have switched into it in a big way (I am not talking about the little farmer in this connection). An article in the *Financial Review* of October 25 contains some interesting facts. It states:

The L. J. Hooker Pastoral Company will set about harvesting 40,000 acres of wheat on its four properties near Moree in the north-west of New South Wales. In the same area, the Dalgety-New Zealand Loan Company has nearly 23,000 acres of wheat.

One individual farmer (and he is not Mr. Smart, the celebrated Western Australian wheatgrower) in Western Australia has 24,000 acres under wheat this year.

Mr. Casey: In some cases, this is for the first time.

Mr. NANKIVELL: Yes. Also, we find that station properties are being split up into share-farming units. These are all alarming developments and they have arisen because of the stability this particular agreement has given to the wheat industry. Comparatively, the wheat industry is the most profitable rural industry at this time. The figures I have quoted are supported by the speech made by the Minister for Primary Industry when he introduced a similar Bill in the Commonwealth House of Representatives. The profitability in grain farming, particularly wheat, is greater than in other forms of primary production. However, I am talking not about a comparison with other forms of production but about the comparison among rural industries. This has arisen because of the stability given to the industry through this agreement.

Of course, at the same time a situation has developed whereby we are over-producing and I believe that, regarding production in Australia, unless we can negotiate outside agreements and unless we can be sure of being able to market this surplus in future years at a profitable figure, then something will have to be done to reduce production to a point where we can handle the sale of the harvest. This note of warning should be issued: we must not over-exploit the fact that we have stability in the wheat industry to the disadvantage of other types of production. People in wheat production should be looking to other forms of alternative production to supplement their income, so that we can retain this stabilized scheme without destroying it by producing more than we can possibly hope to sell. However, in common with other members, I am pleased to see the first payment will be \$1.10, because we know that people in our areas have suffered considerable financial deprivation in the past 12 months as a result of the drought. The future is largely dependent on the success of this season. Therefore, I am happy there has been a record crop and that the payment is \$1.10. However, I suggest that wheat farmers cannot expect to rest entirely on

wheat as a future source of income and to continue enjoying an unlimited acreage at a reasonably high stabilized price. I support the Bill.

Mr. FREEBAIRN (Light): It is with a real sense of pleasure that I support a Bill to ratify the wheat industry stabilization scheme. I believe this legislation is now before Parliament for the fifth time; it appears every five years, as it has done since 1948. I fully agree with what the member for Frome said this afternoon about the Bill's being one of the most important pieces of legislation to come before the Parliament this session. If we cast our minds back to the conditions existing in 1948, I think we must afford a measure of congratulations to the Commonwealth Government of that day. I recognize, and I do not derogate from it in any way, the contribution the Chifley Labor Government made to the wheat industry. That legislation stands to the great credit of that Government. Although there has been reluctance on the part of Victorian Governments, I think that, on most occasions, at the end of five years when the scheme has had to be ratified the various Victorian Governments have come into line. I do not wish to speak too critically, but I think it was the Cain Labor Administration that held up the scheme for some time in 1952 when the legislation had to be ratified for the second time. Finally the Cain Administration concurred with the other Australian States and the Commonwealth and the scheme was then continued.

The scheme legislated for in 1948 was not the first proposal ever made by the Commonwealth Government for a stabilization scheme. That Government in 1946 put forward a scheme based on a guaranteed domestic price of 51c a bushel, and every wheatgrower in Australia at that time had the opportunity to vote by ballot on the proposed scheme. At that time the Government said that if the wheatgrowers in all States supported the scheme the legislation would be proceeded with. Only South Australia voted against the 1946 scheme. It was not until 1948, after another two years of negotiations between the Australian Wheat Growers Federation, the Commonwealth Government and the State Governments that another scheme was introduced. This was a great improvement on the 1946 scheme, as all wheat consumed by Australians would be bought at the cost of production price. This cost of production price was a dramatic improvement on the scheme put forward in

1946, because it offered the Australian wheat-grower some prosperity that the rest of Australians could enjoy because of periodical increases in wages and salaries.

From 1948, the wheat scheme precipitated the Australian wheatgrower into the same sort of cost spiral as that experienced by the rest of the Australian economy. All the Australian States accepted the scheme in 1946 and the scheme has been working reasonably well ever since, but we must not lose sight of the fact that in 1948, although the domestic cost of production price of wheat was 62c a bushel and wheat sold in Australia was sold at that figure, the international price then was over \$2 a bushel. I believe the member for Rocky River has some detailed figures on the contribution made by the Australian wheatgrower to the standard of living of the Australian consumer.

Mr. McKee: A Commonwealth Labor Government initiated the scheme.

Mr. FREEBAIRN: I have already congratulated that Government. When Labor Governments do good things I like them to be given the credit for doing them.

Mr. Hurst: Even though they are socialistic.

Mr. FREEBAIRN: Yes, but I do not want my speech to become a eulogy of Labor Administrations. I point out that the Australian consumer was heavily subsidized by the Australian wheatgrower from 1948 onward for seven or eight years. In 1948, the export price for wheat was over \$2 a bushel, the price paid by the Australian consumer was only 62c a bushel. One of the built-in features of the wheat stabilization scheme was a stabilization fund. In principle, it worked so that 50 per cent of the difference between the Australian domestic price and the export price, when the export price was greater than the home price, would be paid into a wheat stabilization fund and, when the export price fell below the Australian guaranteed cost of production price, the fund was depleted to give the grower the cost of production in respect of the volume of export sales. This policy continued and, towards the end of the 15th or 16th year of the scheme, the Commonwealth Government granted substantial subsidies to lift the return from a certain quantity of export wheat up to the cost of production price.

The member for Frome referred to a speech made by Dr. Patterson in the House of Representatives. Dr. Patterson spoke for the Opposition and, I believe, he was one of the

few Opposition speakers. He moved an amendment that would have changed the character of this scheme by providing for a common price.

Mr. Clark: Did he get any Government support?

Mr. FREEBAIRN: No. He argued that it was unfair to charge the Australian consumer a higher price than that for which Australian wheat could be sold overseas. He opposed the two-tier system, but I point out that the two-tier system of prices obtains in other rural industries. For example, the Australian consumer is forced to pay a price well over cost of production for the eggs he buys, whereas the export price for eggs is very low. In effect, the Australian consumer is heavily subsidizing substantial losses on the export of eggs. Much the same applies in the dairying industry, particularly in respect of butter, for which the Australian price is substantially higher than the export price. This applies also, as most members know, in respect of sugar, the domestic price of which is maintained at a high level, whereas the export prices, at least in recent years, have been low.

Dr. Patterson did not get much support, and I was rather disappointed by some of his remarks, because I think they show a change in the Labor Party's approach to the wheat stabilization scheme. By this I do not mean to be over-critical, but it shows a change in Labor thinking, and I hope that this change will not develop to any great extent. At page 2223 of *Commonwealth Hansard* for October 23, 1968, Dr. Patterson said:

The extraordinarily high export wheat price in the early post-war years was in fact the real reason for the wheat stabilization scheme. The first stabilization scheme of 1947-48 has been described as a true stabilization scheme, the principal objective being to iron out the wide variations in incomes of wheat producers from year to year resulting from the violent fluctuations in export prices. In that year, 1947-48, the assessed cost of production was approximately 6s. 3d. a bushel whereas the export price was about 17s. 6d. a bushel. It is perfectly true that in those years wheat producers subsidized the Australian public in the consumption of bread and eggs. But this does not mean—

I should like honourable members to note this statement because it illustrates the Labor Party's departure from conventional thinking—that the converse should apply now and that the family man and not taxpayers as a whole should bear the burden of an artificially high domestic price for wheat as compared with the export price.

In other words, it was all very well for the Australian wheat farmer to sell Australians cheap wheat in 1948, but in 1968, now that the export price is rather lower than the cost of production price in Australia, it is not such a good thing for the Australian taxpayer to ensure that the Australian wheatgrower gets a decent price, a cost of production price, for the wheat he sells overseas. I hope that Dr. Patterson's thinking will not be reflected in future policies of the Australian Labor Party, because I believe that policies on the wheat industry could well afford to be settled policies between the two major Parties. The Australian wheat industry is so important to Australia and makes such a major contribution to Australia's export earnings that we cannot afford to have it made a political football. I should like to quote for the interest of members (and there is no Party politics in this) Dr. Patterson's speech, at page 2234 of Commonwealth *Hansard* for October 23, 1968, regarding the cost of production figure for wheat:

The last two economic surveys by the Bureau of Agricultural Economics have shown that the average cash cost of producing wheat is between 55c and 70c a bushel.

I repeat that the average cash cost of producing wheat is between 55c a bushel and 70c a bushel. Dr. Patterson continued:

Assuming the stratified random sampling technique is correct and that the officers collecting information by this technique are efficient, the cash costs of production that I have given must be considered as being reasonably correct. According to the formula that is used, cash costs comprise only 40 per cent of total costs. The other costs, including imputed costs, make up the remainder. The breakup of total costs is as follows:

	%
Cash Costs	40
Depreciation	15
Interest	20
Owner-operator allowance	11
Interest on working capital	1
	<hr/>
Net cost at siding	87
Freight and handling charges to seaport	13
	<hr/>
	100

The owner-operator allowance has been set at \$800 a year, which would not provide, on a cost of production formula, a very high standard of living for the farmer. Dr. Patterson also said:

It is very clear, therefore, that imputed items can influence tremendously the final conclusion reached on any assessed cost of production of wheat.

I do not doubt that the great problem of making a proper assessment of imputed costs in the cost of production formula has caused the Commonwealth Government to move from the cost of production index to a different system. The Minister of Lands, in explaining the new approach by the Commonwealth Government, said, in his second reading explanation:

Under the previous scheme a guaranteed price was fixed at the equivalent of \$1.44 a bushel for the base year; that is, the first year of the scheme. This price was an f.o.r. one and was based on a cost of production formula that used data obtained from the Bureau of Agricultural Economics survey of the wheat industry, together with certain other items. The whole formula was based on a yield of 17 bushels to the acre. During the five years of operation of the scheme, annual variations have advanced the guaranteed price to \$1.64 a bushel.

One of the difficulties about using 17 bushels to the acre in the wheat stabilization formula is that it is related to the average production in the five preceding years of the scheme, and technological developments in the industry have progressively caused the average yield an acre to increase. Consequently, the 17-bushel divisor has been rather lower than the actual yield and the cost of production index figure has been slightly more than it should have been. The Minister also said:

The proposed scheme has a base guaranteed price of \$1.45 a bushel f.o.b., which is not related to the "cost of production" formula used in the previous scheme but which was fixed after negotiation between the Commonwealth and the Australian Wheat Growers Federation and which has regard to the availability of Commonwealth funds. Annual variations up or down are provided for and the variations are to be based on producers' cash cost movements together with an allowance in respect of the interest on notionally borrowed capital.

The traditional system of basing the grower's cost of production on all costs, both actual and imputed, is being changed. The cost of production figure will now be based on a variation in annual cash-cost movements, plus an allowance for the interest on notionally borrowed capital. I regret that the time-honoured system of cost of production assessment has been changed, but I trust that the new system meets with the general concurrence of the Australian wheatgrowers. I, like the member for Albert, am pleased that the Commonwealth Government has been able to see its way clear financially to pay \$1.10 a bushel as a first advance on all wheat delivered

to licensed receivers of the Australian Wheat Board from the coming harvest. I support the Bill and commend it to the House.

Mr. McANANEY (Stirling): I, too, support the Bill and I commend the member for Albert (Mr. Nankivell) and the member for Light (Mr. Freebairn) for their contributions to the debate. It has been said that \$580,000,000 will be required from the Reserve Bank to finance the present harvest, but that is not correct, because the advance will be \$1.10 at least and the average freight paid on wheat is 18c, so the advance to the grower will be only 92c and the other 18c will be held by the board and later paid to the Railways Department. Because few sales are made, this money probably will not be paid to the Railways Department for a long time. The history of the Australian Wheat Board shows that probably the greatest advantage that the wheat-grower has had from the legislation is an orderly marketing system, by which wheat is held for sale on good terms when world markets require wheat. Further, the International Wheat Agreement has kept a sort of minimal price at a world level.

Without orderly marketing and the International Wheat Agreement, the stabilization plan would be valueless to the grower. Members have indicated that today, because in the first 12 years of the plan the growers received for their wheat less than they would have received without a stabilization scheme. However, the advantage now is that, when the price has fallen, the growers are getting back money previously put in and taxpayers are making a contribution to the industry. Regarding a comparison of the assistance that wheatgrowers are getting with the assistance being received by the rest of the community, the Australian wheat industry receives minimal Government assistance from all viewpoints. From the viewpoint of the international system, the wheat farmer gets a lower guaranteed price than practically any wheat farmer anywhere else in the world. Further, he receives less indirect assistance than do most of his colleagues in other countries. From the international viewpoint, the net position at present is that the Australian public still owes the wheat farmer at least \$316,000,000. Also, when compared with any other industry except wool, meat and some minerals, the amount of Government support recently forthcoming has been small. Some industries in Australia obtain 60 per cent or more of Government assistance by way of tariffs. Mr. Crean, in the Common-

wealth Parliament this week, said that an industry could receive a 60 per cent tariff and still be an efficient industry, but it is difficult to know how he works that out. The assistance to the wheat industry in all forms would be no more than 8 per cent to 10 per cent, yet some of the really heavily assisted industries contribute nothing to exports.

Compared with these, the wheat industry in 1966-67 earned Australia \$380,000,000 in foreign exchange, enough to pay for all Australian imports of motor cars and other vehicles, and parts for those vehicles, and farm machines, whilst still leaving about \$10,000,000 to spare. It has been stated that we must double our exports in the next 10 years, and the primary-producing industries will play their part valiantly, but in the situation developing in Australia I doubt that they will be able to play the part they should with rising costs of more and more primary products, although the degree of efficiency of our primary productive capacity compares favourably with that of the rest of the world. The rural industries in Australia have been earning between 70 per cent and 80 per cent of our vital export income, but the percentage has been reduced during the last two years as minerals have been developed.

Perhaps the Australian farmer has hitherto been indispensable to the national economy, but there is talk in Commonwealth Parliamentary circles that his produce could be replaced by mineral exports and that he is now expendable. That would be a great mistake because, although minerals in the next few years could make up the difference and maintain our oversea balance, by using them we are disposing of a fixed asset that will diminish in the future and Australia will finish with nothing. If we keep our primary industries on a firm basis we will have something that will produce for the benefit of Australia and of the world for many years. The volume of production in the industry has increased by over 60 per cent in the past 15 years despite the declining number of people engaged in primary production. Obviously, credit must be given for the fact that farm machinery has been improved considerably in that period and more work can be done with it.

All farmers have faced many barriers during this trying period—costs have more than doubled and prices for nearly all commodities, meat being the number one exception, have remained static. Our farmers could not have stayed in business if there had not been the

necessary lift in efficiency. Australian farmers are as efficient as any of their counterparts in the world. Each farmer produces enough food or fibre to feed or clothe 25 Australians plus 38 other people, for a total of 63, whereas the American farmer on a comparable basis clothes or feeds 41 people. These are convincing figures and show how efficient are our primary producers. Yet we have reached the stage where not one industry can now export on the world's markets without loss. For 30 years I have been associated with primary producers, and many now tell me that their sons will not be allowed to stay on the farm. This will happen if farmers are not given the same living standards and working conditions as those enjoyed by others in the community, and if we do not solve, in some way, the problems of the primary producer.

No-one believes more than I do in raising the living standards of every section of the community, but rising living standards depend on the quantity of Australian production or the quantity of goods we produce efficiently and can exchange with the goods of other countries that can do certain things more efficiently than we can. That is where the standard of living in Australia comes from and not by any action of a stabilization plan for primary producers, a stabilization plan, you may call it, for the workers in the arbitration court, or the protection of secondary industries by tariffs. Gradually, a combination of these things is inflating our costs in Australia and is causing trouble to every section of the community. Our living standards will be reduced in some way if we do not solve the problem, and realize that basically we must be competitive in the world's markets rather than be a country of economic isolationists. To call a country isolationist, whether in defence or in international trade, is one of the worst names we can call it.

It seems entirely ridiculous under the two-price plan that the Australian consumer has to pay \$1.70 a bushel for wheat, yet wheat will be sold overseas at considerably less. A ridiculous stage has been reached in the poultry industry where eggs are sold at 70c to the Australian consumer, yet the price is 12c to 15c for eggs exported. It would be better to sell the wheat rather than wear out fowls who turn it into eggs, because a loss is made in the process. These problems have to be faced.

In the last three or four months in this Parliament we have discussed electoral reform, the minimum age for drinking, and other minor things, although they seem to be considered by some people to be major problems. We should be considering the fundamental problems of how we are to live together with everyone enjoying a rising living standard. If some primary production is subsidized, the farmer tends to produce that, and does not concentrate on wool and meat, products that we can produce more competitively on world markets. Unfortunately, producers sometimes seem to be encouraged to produce something else that is not in the best interests of the farmers or of the country.

If more is charged for wheat sold to the community in Adelaide some assistance must be given to the people so that they can pay the high price, and this puts primary producers in difficulties. Secondary industries are also affected by high tariffs. Their costs are increased and their capacity to export on world markets is lowered. These industries must engage in large-scale production so that specific industries can be concentrated on and products exported throughout the world at competitive prices. If this is done Australia will go ahead, but we must not subsidize every industry that is inefficient. If we cannot reasonably compete on the world market, we cannot be classed as being efficient. We must get down to the fundamental problems affecting both primary and secondary industry as well as the community generally, so that we may increase our living standards. Although there is a tendency now to say that, to cure primary producers' problems, we must have larger farms, I doubt that that is so, for I believe that a two-man farm, with, say, a father and son working together in harmony, is a most efficient and economic set-up.

Large-scale production with a labour force working 40 hours a week, with double time on Saturdays and treble time on Sundays, such as applies in the manufacture of dairy products, merely brings about expensive production. The small farmer requires loans at a reasonable rate of interest so that he can at least enjoy a reasonable standard of living and compete with others. Although I have heard Labor members say that it is not possible for anyone to save under present conditions in order to set up his own business, I sponsored a British migrant four years ago, the gentleman concerned arriving in South Australia with a wife and four children and just sufficient money to buy

a few scraps of furniture and a secondhand motor car. Within four years, he had saved \$7,000; his wife had worked on surrounding farms, he himself had worked for a dairy farmer, and their children had been kept tidy and clean.

Mr. Jennings: How many dollars did he make for you? I bet you exploited him.

Mr. McANANEY: He certainly was not working for me, although I can name people who have worked for me, one person now having a 10,000-acre farm at Theodore, which he would not have if he had not worked for me. However, that is a fact of life which Labor members do not understand. Unfortunately, the migrant to whom I have referred was unable to obtain an \$11,000 loan from the Commonwealth Bank to buy a 64-acre farm for \$18,500, although the bank told him that it would have made a loan to clear and develop 1,000 acres. On the other hand, people in the city are able to borrow \$8,000 to buy a house on a loan that is insured against loss at 1½ per cent (it is probably now down to 1 per cent). Deciding not to borrow at 14 per cent from a hire-purchase company, the gentleman concerned obtained a loan at 9 per cent, which I helped arrange. Many such people who are short of capital are fleeced because they are not able to obtain loan conditions similar to those obtained by house purchasers. Although the Rural Advances Guarantee Act may play a part in this respect, I believe we require a scheme more similar to that under which house purchasers borrow money, so that people may commence operating small farms.

No stabilization scheme will work where we have rising costs through artificial inflation; indeed, with costs above the level of world costs, a stabilization scheme is doomed to failure. If we stabilize and subsidize a particular industry, farmers will turn to that industry, with the result that we will have excess production, making it difficult to store the produce and to sell overseas at a reasonable margin of profit. We must be able to provide the conditions under which farmers can export on the world market. I support the Bill, with the doubt in my mind that if certain action is not taken soon the scheme will not be a success.

Mr. VENNING (Rocky River): I support the Bill. With the rest of the wheatgrowers of the Commonwealth, I breathed a sigh of relief when the Australian Wheat Growers Federation and the Commonwealth Government eventually agreed to this scheme.

Queensland wheatgrowers must have been concerned about the matter at the time because, as you know, Mr. Speaker, grain which is delivered much earlier in that State than we deliver it here was being delivered at a time when no stabilization plan was functioning. The old plan had expired with the previous crop, and it must have been exceedingly pleasing to Queensland growers (indeed, to us all) that finally the federation agreed with the Commonwealth Government on the next plan to be implemented for a further five years. It is well known that the next plan varies from the previous plan, which commenced in 1948 and which was discussed by the federation and the Commonwealth and State Governments as far back as 1945.

While I do not wish to take away any credit given to the late Mr. Chifley in this regard, I point out that credit must also be given to the federation, which advanced to him the case for a plan, as a result of which for many years we have had the wheat stabilization plan. It was a red letter day for the industry when growers in those early days realized that in the future they might not get the returns for grain that they were receiving then. Wheatgrowers throughout the Commonwealth contributed to this fund about \$172,000,000, which was made up by a charge of 15c a bushel over and above the cost of production on export grain. It was not until about 1956 or 1957, when the oversea price fell and the cost of production increased, that the growers' contribution fund became redundant, and in 1957 or 1958 the Government first contributed to the fund. In the first year the Commonwealth contributed about \$6,000,000. From then until the last scheme concluded, with prices falling and cost of production increasing, the Commonwealth had contributed about \$112,000,000, and it is estimated that the Government's contribution to the last pool yet to be called up will be about \$44,000,000.

As other members have said, one of the most important aspects of the plan in the past has been that growers have accepted about 60c to 80c a bushel for their grain when it is exported to New Zealand. They have also accepted this price for flour and wheat used for local consumption and altogether this has saved the taxpayers of Australia about \$396,000,000. The export price of grain during the period from 1945 to 1953 was about \$2 to \$2.20 a bushel, and the contribution made to the consumer as well as the growers' contribution to the

stabilization scheme totals \$573,634,932. When this present plan concludes, the Government's contribution will be about \$156,600,000 so that the difference between the growers' and the Government's contribution is about \$400,000,000. Generally speaking, growers do not oppose this position because, when they advocated the plan, they were considering it on a long-term basis. At present there is an alteration in the scheme in that the new scheme will be a two-price plan as against the previous one-price plan based on the cost of production. However, to give the industry stability, the growers realize that the contribution they have made over and above the Government's contribution will continue for some time and will give stability to the industry.

As has been said today, people in the industry are concerned that the production of grain is becoming so great that it will be difficult for the Australian Wheat Board to dispose of it all. As members know, the carry-over from last year is about 30,000,000 bushels and, with an estimated delivery this year of 460,000,000 bushels, it means that the Australian Wheat Board will have to sell about 500,000,000 bushels in the coming year. I point out that not even under the most favourable conditions for selling wheat has the board been able to sell 400,000,000 bushels. Therefore, it can be said that, although we have problems at present, we could have greater problems next year, especially when we consider that the estimate for next year is greater than the estimate for this year, when the estimate is based on acreage alone. Therefore, some thought must be given to control of production. In view of the cost of production, land value, land brought into production and so on, the price of wheat could reach a fantastic sum, and therefore the Commonwealth Government could see that it had to look at a different scheme.

Reference has also been made to the International Grains Arrangement which is made by the exporting countries of the world which base their figure on a minimum of about \$1.45 f.o.b. (this is calculated on wheat of f.a.q. standard). It is a matter of concern that we have not successfully negotiated sales of wheat to China. As we have read in the newspapers, China has negotiated contracts for off-grade wheat with Canada. As our wheat is based on f.a.q. standard, off-grade wheat can be sold below the price fixed under the International Grains Arrangement. That is one reason why we are presently not selling wheat to China,

although we hope that that country will soon buy our wheat again. In the past, China has purchased about 35 per cent to 40 per cent of this country's wheat production and, if it does not buy from us in the future, this will make some difference. When there is over-production (and this does not apply only to wheat) buyers are inclined to sit back and draw supplies when they want them. The delegation of the Australian Wheat Board visited China recently, but did not sell any Australian grain. The Chinese are sitting back watching the situation. Probably that country was waiting to see whether we would weaken on the International Grains Arrangement, but our delegates stuck hard and fast to it. Therefore, the Chinese are waiting.

Mr. Speaker, you must be listening to this debate with much interest. I should like to express my appreciation of your assistance with the Australian Wheat Growers Federation over a long period. I also wish to express the appreciation of the member for Light (Mr. Freebairn), who asked me to do so, as he omitted to refer to this matter when speaking this afternoon. Growers throughout Australia welcome the renewal of this scheme. We are grateful that the Commonwealth Government has seen fit to agree with the Australian Wheat Growers Federation and the State Governments and that the agreement is in the process of being ratified. Victoria has hung out for a while but it has seen the wisdom now of falling into line with the other States and supporting the federation in this move. I wish to commend the South Australian delegates on the federation. Messrs. Saint, Shanahan, Philbey and Roocke have taken an active part in negotiating with the Commonwealth Government and deserve our sincere appreciation, not only for putting the case for South Australia but also for exerting their influence on the Victorians and bringing them into line with the rest of Australia. Had the Victorians held out, we do not know what the situation would have been.

We are pleased that we have men of the calibre of the delegates we have on the Australian Wheat Growers Federation who were able to influence the Victorians to agree to the new plan. As has been said, the new plan is a two-price one, which gives a home consumption price of \$1.70 a bushel, plus 1c for freight to Tasmania, and about \$1.45 a bushel for export wheat up to 200,000,000 bushels. This is an increase on the quantity in respect of the previous plan. It is most interesting to look back over the period that

the wheat stabilization plan has been in operation in Australia to see that we commenced with 100,000,000 bushels of export wheat at a guaranteed price, whereas five years ago the federation was successful in persuading the Commonwealth Government to increase this export quantity to 150,000,000 bushels. At present, the Commonwealth Government has agreed that the guaranteed price shall apply to 200,000,000 bushels of export wheat. This indicates that the industry is a growing one and that the Commonwealth Government has seen the wisdom of supporting the industry in this regard.

It was most interesting at the Australian Wheat Growers Federation meeting in Canberra recently to hear the Minister for Primary Industry (Mr. Anthony) say that the wool industry was able to sell all the wool that it could produce. It is hoped that some of the less genuine wheatgrowers may switch to wool production and leave the really genuine wheatgrowers to the field of producing grain. I welcome the opportunity to speak on the new stabilization plan and I commend the federation and the Commonwealth Government for the parts they play in the industry. We appreciate the Government's attitude in continuing its first advance of \$1.10 a bushel. There has been some misapprehension in wheatgrowers' minds with regard to deliveries, when they would be paid, and the price of bagged wheat, but we are pleased that, as a result of the efforts of our own Minister of Agriculture and our own Speaker, we have been successful in maintaining the \$1.10 a bushel first advance. Wheatgrowers in this State experienced a drought last year, and the two previous years were not over-abundant. They were looking for the first advance to be maintained, particularly with this record crop. So it is particularly pleasing in this regard that the wheatgrowers of Australia should be happy with what the Commonwealth Government has been able to maintain in the interests of this industry. I have much pleasure in supporting the Bill.

Mr. FERGUSON (Yorke Peninsula): I support the Bill. It has been said repeatedly that this Bill is one of the most important Bills to come before the House this session, particularly for the economy of Australia. I believe that if the negotiations had failed, the wheat industry in Australia would have been in chaos. When it was announced that agreement had been reached on wheat stabilization, with the Minister for Primary Industry, much

criticism was levelled at those who negotiated on behalf of the wheatgrowers, particularly in Western Australia and Victoria, but I believe that those who negotiated on behalf of the wheatgrowers had a most difficult task because of the situation the wheat industry is in today. The negotiations were led, on behalf of the wheatgrowers of Australia, by one of the most competent men in Australia and a man who has a great knowledge of the wheat industry both at home and abroad. I refer to Mr. Max Saint, who is the President of the wheatgrowers' federation. This man was well equipped to lead the delegation on behalf of the wheatgrowers. A practical farmer with a wide business experience, he was a fit man to lead the wheatgrowers in negotiating for a wheat agreement.

There are many difficulties ahead of the Australian Wheat Board and there must be difficulties ahead for the wheatgrowers. Merely because an agreement has been ratified I do not consider that the wheatgrowers can rest assured that all is well for them. Under the most favourable selling circumstances the board has had, in one year it disposed of 350,000,000 bushels of wheat on behalf of Australian wheatgrowers. These sales were made in the most favourable circumstances. It has already been said that this wheat year in Australia is expected to be a record one and, because of the difficulties in making sales in the coming year, it is expected that much of the grain from this harvest will still be in silos when the 1969-70 harvest is reaped. As a result of this, there will be other problems and difficulties ahead for the wheatgrower.

I was pleased when it was announced that \$1.10 a bushel would be paid as a first advance to wheatgrowers for this season's wheat, not because I believed it was in the best interests of the wheat industry but because I believed that every wheatgrower in Australia needed this \$1.10 a bushel first advance. I think that the wheatgrowers in Australia should be aware of the state of the wheat industry in Australia and should try to make some assessment of their own regarding the industry. In making their assessment, they should try to help make a voluntary contribution to right the situation of the wheat industry.

Mr. HUGHES (Walleroo): I support the Bill, and in doing so say that it seems that South Australia will have one of the best harvests for many years. The Commonwealth Government has been compelled to accept the representations of various organizations that

a further period of orderly marketing and stabilization in the wheat industry be provided for, and to do that it is necessary to increase the quantity of export wheat covered by the agreement price from 150,000,000 bushels to 200,000,000 bushels for any year in the period in which the legislation will operate. Some months ago I attended a meeting of the United Farmers and Graziers of South Australia at Maitland, when this matter was discussed. However, strangely enough, when the chairman asked me, as a member of Parliament, to speak, he invited me to give Labor's policy not on primary production but in general. This was done with much embarrassment to those present. However, I immediately put the meeting at ease by thanking the chairman for his invitation and telling the meeting that I was there not for that purpose but to listen to the discussion of the many problems of the farmers regarding costs and prices. I also said that I was there to support their motion, which referred to the approach by primary producers to the Commonwealth Government for an increase in the quantity of wheat exported under the guaranteed price from 150,000,000 bushels to 200,000,000 bushels. I still consider mixed farming to be the safest and most profitable type of farming.

Mr. Jennings: It's very rewarding, too.

Mr. HUGHES: Yes, it is, for those who know how to go about the business and who work hard. If farmers are prepared to work hard (and most are) they succeed, to a large degree, in keeping down costs. I do not think that it is good for any industry, when it becomes established firmly, to have everyone cashing in on it, but I think honourable members opposite who are engaged in farming will agree that that has happened in the wheat industry. In fact, one could be excused for referring to that industry as being one experiencing dramatic changes, because in 1960 the Australian wheat acreage was 13,500,000 acres, whereas this year it has been stated to be 26,000,000 acres. The national wheat acreage has therefore more than doubled in eight years.

I commend the members of the Australian Wheat Board for having captured markets over the years. My mind goes back to the days before sales of wheat were made to Red China. At that time, I was speaking in the debate on a Bill similar to this and one Government member, who I am sorry to say has since passed on, asked me, by interjection, whether I supported sales of wheat to Red

China, to which I replied that I would favourably consider selling wheat to any country that needed it and was able to pay for it. It seems strange that soon after that time sales of grain from Australia to Red China were made, and that a South Australian was largely responsible for that.

I attended an Agricultural Bureau oration in the Bonython Hall, at which Sir William Gunn, the guest speaker, dealt with sales of meat and said that throughout the world markets were waiting to be snapped up. He also said that this applied to other primary products, and how true that statement has been shown to be! The members of the Australian Wheat Board (and I mention particularly the President of the Australian Wheat Growers Federation, Mr. Max Saint) has proved to the Australian people, that if one has the right product, only a good salesman is needed to sell that product overseas. Again, how true that statement was! We in South Australia owe a debt of gratitude to Mr. Saint and other South Australians who have been responsible for arranging sales of wheat, not only from this State but from all over Australia. Recently the Commonwealth Treasurer told an organization that, because we expected a record crop, the payment of \$1.10 as a first advance could bring about inflationary pressures, and I think Mr. Saint answered the Treasurer quite well in this letter, published in the *Yorke Peninsula Country Times*:

Mr. McMahon suggested to the National Farmers' Union that, because of record crop prospects, maintenance of the \$1.10 a bushel first advance could bring about inflationary pressures. If all things were equal, it might well be that a situation as suggested by the Treasurer could occur. However, it would appear that Mr. McMahon is overlooking the fact that in the last two to three years prior to this harvest, severe droughts experienced in the Eastern States and South Australia created such a degree of indebtedness amongst the wheatgrowers that to suggest that a \$1.10 first advance this year would cause a major spending spree cannot be substantiated.

There will be literally thousands of growers who will be in the position of meeting financial obligations to pay back moneys borrowed from recognized financial institutions during the last three years in the form of carry-on finance. The present crop estimate from figures supplied to the Australian Wheat Board presently stands at 435,000,000 bushels, not 475,000,000 to 500,000,000 bushels as stated by the Treasurer. It should also be emphasized there was no question of a reduction in the first advance payment of \$1.10 when 439,000,000 bushels were delivered during the 1966-67 season, which was in fact 4,000,000 bushels above this year's estimated crop.

Whilst the commercial section of the economy may be experiencing inflationary pressures, this is certainly not the case as far as the rural sector is concerned. Wheatgrowers throughout Australia will not accept any reduction in the \$1.10 first advance, which has operated over the past 11 years. And one should not overlook either, the depreciated purchasing power of money for the period. Today more than ever wheat is being grown in conjunction with wool, and the fact that during the last two years wool and meat prices have been at a very low ebb will severely retard any possible inflationary influence that \$1.10 wheat advance could have on the economy this harvest.

I know the costs of farming: it is some time since I was on the land, but I keep in close touch with primary producers in my district and, from discussions I have had with them, I can substantiate Mr. Saint's statement that there will be no fear that, because of cost rises in primary production, inflationary pressures will flow from the payment of the \$1.10 as the first advance. All members agree that this complementary legislation is necessary to bring into operation the action of the Commonwealth Government, and I wholeheartedly support this measure.

Mr. EDWARDS (Eyre): I, too, support the Bill, because it is necessary for a Bill of this nature to be introduced in order to stabilize and make workable the wheat industry. Many farmers seem to have become mixed up and think that they have to deliver all their grain before they receive any payment. This is not the case: a farmer can make a claim at any stage after he has delivered portion of his crop. However, it was stated yesterday that a farmer should not make many small claims, because this adds to the cost of running the board. I am pleased that the advance for this year's wheat has remained at \$1.10, because this will help farmers who have suffered from the drought in the past few years and many who have suffered for longer than that. It will help them to solve their financial problems in having to repay money they have borrowed.

I am concerned about the large acreages being sown by the huge combines in other States. Many of these properties are grazing properties, but they have been brought into wheat production because of the stabilized price of wheat. I hope that these big combines will not be allowed to expand at the expense of the man who has been making his living from mixed farming for many years, whilst these other people have been interested only in sheep and cattle raising and had no thought of growing wheat until the drought

more or less forced them to do so. The shortage of stock needed to replace the herds that were pastured on these properties, the high price of stock with its low return, and the high return that could be obtained from wheat were all factors that caused these combines to turn to wheatgrowing. I hope they will not continue to grow wheat at the expense of the man who has been making his living out of wheat for many years. Wheatgrowers have done an excellent job in producing the income that is obtained from world markets, although only a small number of people are employed in the wheat industry, and I commend them for what they have done.

Mr. Speaker, I thank you, too, for the work you have done for wheatgrowers in this State. I also thank the other members of your team who have worked with you, as their efforts are much appreciated. Mr. Max Saint, an outstanding personality who is well suited for the task that has been allotted to him, has done much for wheatgrowers in Australia, and I hope that a suitable replacement can be found for him when he retires. I am concerned about Eyre Peninsula, which is fast becoming the granary of the State. Help is needed for this part of South Australia as much as it is needed anywhere else in Australia, and I should like in the best way I can, to look after the interests of the people who live in that area. In this area wheatgrowing and sheep farming go well together, and one cannot be carried on without the other. I have much pleasure in supporting the Bill.

Mr. ALLEN (Burra): I, too, support the Bill, because I favour a wheat stabilization scheme. I remember the days before such a scheme operated. When I commenced farming in 1929, the wheat merchants controlled the sale of wheat in South Australia. Most of those who have been connected with the wheat industry will recall that the price of wheat crashed in April, 1929, and, over the next few years, the Commonwealth Government paid a bounty on wheat produced of about 4d. a bushel which, although not a large sum on today's standards, was acceptable to wheatgrowers. It was understood, when the merchants had the sale of wheat in South Australia, that if ever they wished to fill a contract to complete a sale the usual policy was to drop the price of wheat; farmers would automatically sell, mainly through necessity, and the contract price would be filled. Then came the war years and the necessity to form the Australian Wheat Board.

I think one of the best things that happened to the wheat industry was when the farmers, of necessity, became organized, and I sometimes wonder whether, if it had not been for the war, we would be as well organized as we are today. During my 40 years of farming, I had 12 years of selling wheat on the open market, eight years' experience of a compulsory wheat pool, and 20 years' farming under wheat stabilization. I suppose that under stabilization I have paid in more to the wheat industry than I will ever receive back, but I have no complaint to make about this: my loss is someone else's gain. In the future I think we will see much more progress in the wheat industry, particularly increased yields. Only in today's paper there is a small article, under the heading "Wonder Wheat", as follows:

Soviet scientist Nikolai Tsitsin disclosed today the development of a perennial wheat which could produce several crops from a single planting. He said the new plant was a hybrid of wheat and couch grass.

When touring England a few years ago, I paid particular attention to the activities of the wheat industry in that country; it was at the time of harvest and it was quite common to see crops yielding 2½ tons an acre. English people speak in terms of tons an acre, whereas we refer to bags an acre, and the yield of the grain that I saw was apparently far superior to that of the known types of wheat that we produce at present. I consider that in time to come we will possibly be growing that type of wheat in this country and considerably increasing our yields. It has been said that, in connection with the wheat industry, we must have larger farms to be able to survive, but I think that is a matter of opinion. With modern machinery and contract reaping and sowing, I maintain it is possible for anyone with a medium-size farm to be able to carry on successfully in the wheat industry.

Mr. HURST (Semaphore): This Bill seeks to benefit primary producers, and I have no hesitation in supporting it. The measure is designed to give stability to the wheat industry. I was amazed to hear members opposite eulogizing this plan, which is basically a socialistic measure and which, contrary to what the member for Burra (Mr. Allen) said about its resulting from the last war, was brought about by the efforts of the famous Socialist Leader of the Labor Party, Ben Chifley. Indeed, that gentleman lifted the man on the land from the position of being in the doldrums to one of prosperity.

Members interjecting:

Mr. HURST: If it had not been for the wisdom and foresight of one of the most able leaders this country has ever seen, the wheat industry and people on the land generally would be in a serious position today. Stabilization of prices is a good move. We occasionally experience a situation, such as the one we are experiencing this year, in which seasons will produce unexpected quantities. It has not been practicable (indeed, it would not be efficient) to outlay capital to meet situations likely to occur only periodically: when capital is invested the best possible return must be obtained. The production of wheat has tended to increase in this State, and I believe it will continue to increase. Having been interested to hear the remarks of the member for Albert (Mr. Nankivell), I think it is evident that even he believes there should be more socialistic tendencies towards the control of cropping; indeed, it is not at all certain that we will in the future be able to dispose of our produce.

Australia has embarked on a policy of helping under-developed countries, which have progressed as a result of the experience and knowledge they have gained. Some such countries are not now dependent on our exports and are, in fact, producing commodities for the export market in competition with our own, a situation that will have to be considered seriously before long. However, as the Bill is supplementary to Commonwealth legislation, and as it has been introduced in the interests of the man on the land, I have no hesitation in supporting it. I appeal to members opposite not to vote against this measure just because it is socialistic: I ask them to weigh its merits and to vote in accordance with what they consider will be best for the people they purport to represent. I hope they will not be misled and will not cast a biased vote against a measure that has a socialistic background, for they must be big enough to realize that the measure will be to the advantage of their colleagues as well as themselves. I appeal to all members opposite to support this measure.

Bill read a second time.

In Committee.

Clauses 1 to 10 passed.

Clause 11—"Delivery of wheat."

The Hon. T. C. STOTT: Having listened to the second reading debate, I think it would be proper for me to correct some of the figures given by honourable members (I am at a loss to know where they got some of these figures). The total sum paid into the Consolidated Revenue Fund by the Commonwealth Government when the price of wheat was less than

the guaranteed price was \$91,094,825. In the early years, when the growers had to pay their contribution into the stabilization fund because the price of wheat was above the guarantee; the sum was \$21,498,604. That sum was invested by the Commonwealth Treasury and earned interest totalling \$4,758,528.

The CHAIRMAN: Order! This clause relates to the delivery of wheat.

The Hon. T. C. STOTT: Yes, but it also refers to the amount paid to the bushel. If you will allow me to do so, Sir, I intend to link up my remarks.

The CHAIRMAN: The honourable member will have to limit his remarks specifically to this clause.

The Hon. T. C. STOTT: I intend to do that; I do not wish to contravene Standing Orders.

The CHAIRMAN: I can allow passing reference to these matters, but I cannot allow debate that is not relevant to the clause.

The Hon. T. C. STOTT: The principle of this clause is that growers must deliver their wheat to the board and cannot deliver it anywhere else. Reference was made to the price of \$1.40 and to the two-price plan. It has been said that some growers might not want to deliver wheat to the board because of this price, the reason being that, with the two-price plan of \$1.70 as the home consumption price and \$1.45 as the export price, the average would be about \$1.47.5 and that would be what was finally realized by the grower when the guaranteed price was considered. Some merchants or others may be willing to offer growers, say, \$1.50 or \$1.55, which is less than the \$1.70 home consumption price. These people would "trade over the border", and this could mean that growers would not deliver wheat to the board. I issue a warning on this point. Notwithstanding the provision in the Bill relating to deliveries to the board, if someone wanted to do the sort of thing to which I have referred, he would be protected by section 92 of the Commonwealth Constitution, and the Wheat Board could do nothing to prevent his doing it. We hope that this will not happen, but some people have criticized the two-price plan, saying that this danger is inherent in it. I hope that growers realize that, in the long run, it pays them to deliver wheat to the board and keep this plan intact.

Clause passed.

Clauses 12 to 19 passed.

Clause 20—"Home consumption price of wheat."

The Hon. T. C. STOTT: Under the present scheme, with the negotiations made by the Australian Wheat Growers Federation and the Commonwealth Government, the home consumption price has been fixed at \$1.70. The price for export wheat was agreed at \$1.45. The average works out at about \$1.47.5 overall to the wheatgrower. Some criticism has been levelled at the two-price plan in relation to the \$1.70 home consumption price for wheat. Disappointment was expressed in Western Australia and Victoria because of the departure from the previous formula adopted of the one-price plan overall for both export and home consumption prices for wheat. In a way, it is a pity there has been a departure from this well-known formula, which was worked out by the Bureau of Agricultural Economics and the Wheat Index Committee over many years. However, the great danger in fixing the home consumption price, as seen by the Commonwealth Treasurer, was that, if the formula took into consideration the price of land (and it would have to take account of the present speculative price of land), the home consumption price of wheat could rise to about \$2 a bushel, and consequently there would be criticism from poultry breeders, bread eaters, and so on. Therefore, a compromise was reached by the Australian Wheat Growers Federation not to increase the home consumption price too much but to continue the plan for another five years.

I want members to understand that the wisdom of the long-range plan is that the negotiators did not want to get too much consumer resistance against the stabilization plan, which has done so much for wheatgrowers in the past. I believe that wheatgrowers generally will realize that. The Wheat Index Committee did not meet when the new plan was brought into operation. I believe it was a great pity it did not meet, because it could possibly have dealt with these high, speculative land prices more on a productive basis, and it would probably have insisted on the old system remaining with a one-price plan that took into account the speculative price of land.

Members will be able to see what a great plan this is and how it takes in the interests of all sections of the community. The wheatgrowers will get a favourable price, which will give them prosperity in the future. If we follow this pattern of help and do not charge too much to the consumer in Australia but charge a fair and reasonable price to everyone in the community, the primary producer and everyone else will be better off. I commend the

plan to the Committee because of the sound and commonsense way it has been worked out, and I hope that all members will see the reasonableness of it and give it their full support.

Clause passed.

Remaining clauses (21 to 24) and title passed.

Bill read a third time and passed.

MOTOR VEHICLES ACT AMENDMENT BILL (No. 2)

Returned from the Legislative Council without amendment.

LICENSING ACT AMENDMENT BILL (No. 3)

In Committee.

(Continued from November 19. Page 2581.)

Clause 4—"Permits."

Mr. EVANS moved:

In paragraphs (a) and (b) to strike out "eighteen" and insert "twenty".

Amendment carried; clause as amended passed.

Clause 6—"Conditions of licence."

Mr. EVANS moved:

To strike out "eighteen" and insert "twenty".

Amendment carried; clause as amended passed.

Clause 7—"Duty to state age."

Mr. EVANS moved:

To strike out "eighteen" and insert "twenty".

Amendment carried; clause as amended passed.

Clause 8—"Prohibition of supply of liquor to persons under eighteen years of age."

Mr. EVANS moved:

In paragraph (a) to strike out "eighteen" and insert "twenty".

Amendment carried.

The Hon. ROBIN MILLHOUSE (Attorney-General): I move:

To strike out paragraph (b).

This amendment is consequent on the alteration from the age of 18 years to 20 years and affects section 153 of the Act. Subsection (2) of that section provides a defence to a barman or hotelkeeper who supplies liquor. It had been intended, if the minimum drinking age was reduced to 18 years, to alter the defence provision so that, if a person charged had reasonable cause to believe that the person to whom the liquor was sold or supplied or by whom it was consumed was of or above the age of 18 years, that would be a defence. This would have meant cutting out the other matter

which at present is a necessary ingredient in that defence: that is, that the person is, in fact, above the age of 18 years. As the minimum drinking age has been reduced by only 12 months I think we should leave the present provision, except for the alteration in regard to one year. In other words, the defence will be available if he has reasonable cause to believe that the consumer is above the age of 20 years and, in fact, the consumer is above the age of 18 years. The amendment will effect this.

Amendment carried.

Mr. EVANS moved:

In paragraph (c) to strike out "eighteen" and insert "twenty".

Amendment carried; clause as amended passed.

Clause 9—"Persons not to be employed in bar-room."

Mr. EVANS moved:

To strike out "eighteen" and insert "twenty".

Amendment carried; clause as amended passed.

New clause 1—"Short titles."

The Hon. ROBIN MILLHOUSE: I move to insert the following new clause:

1. (1) This Act may be cited as the "Licensing Act Amendment Act (No. 3), 1968".

(2) The Licensing Act, 1967, as amended by this Act, may be cited as the "Licensing Act, 1967-1968".

(3) The Licensing Act, 1967, is hereinafter referred to as "the principal Act".

These are the formal clauses necessary consequent on the splitting of the original Bill, which left this second part without such formal clauses.

New clause inserted.

The CHAIRMAN: I point out to the Committee that it is proposed to insert the words of enactment in the Bill, as follows:

Be it enacted by the Governor of the State of South Australia, with the advice and consent of the Parliament thereof, as follows:

Long title.

The Hon. ROBIN MILLHOUSE moved to insert the following long title:

An Act to amend the Licensing Act, 1967.

Long title inserted.

Bill reported with amendments. Committee's report adopted.

The Hon. ROBIN MILLHOUSE (Attorney-General): I move:

That this Bill be now read a third time.

Without speaking at length, I wish to say that naturally I am disappointed with the amendments that have been made in Committee, but

I accept the will of the House. I believe that one of the great functions of Parliament is to consider and to decide controversial issues in the community.

Mr. Clark: Sensibly.

The Hon. ROBIN MILLHOUSE: Yes, and I believe it would be disrespectful of me if I said that the Committee had not decided sensibly. Although I do not agree with the result, I believe that every member gave grave attention to this matter and decided it as he thought fit. I further believe that it is the duty of the Government of the day not to shirk its responsibilities but to put before Parliament controversial issues for resolution here, in the place where these matters should be resolved. That is what we did in this matter. We believed that the issue on the age of drinking was a controversial and live issue in the community, and that it was here that it should be resolved.

Mr. Clark: Do you foreshadow a further decrease later?

The Hon. ROBIN MILLHOUSE: No-one can tell what will happen in the future but, under Standing Orders, this could not be done this session, and I do not think we should look further ahead than that. We believed it was our duty to put it before Parliament and, although I am disappointed in the result, I think that the issue has now been resolved, at least in this Chamber, and that it now must go to another place. I commend the third reading to the House. It is a modest improvement on the present situation, even if I cannot go further in commending it.

Mr. GILES (Gumeracha): During the debate on this Bill I strongly opposed lowering to 18 years the minimum age for people to be permitted to drink in hotels. The Bill had to be taken to the second reading stage before it could be divided and I voted so that it could be brought to this stage. Further in my protest against the lowering of the permitted drinking age, I intend to vote against the third reading.

The Hon. G. G. PEARSON (Treasurer): I agree with my colleague, the Attorney-General, that the House has expressed its views thus far on this matter and has, apparently, come to a decision. However, I indicated earlier that I intended to divide the House on the third reading, and I intend to do just that. The honourable member who has just spoken briefly illustrates my point: last evening he exercised a vote, but now he intends to exercise his vote in another direction.

There may be other members who may do the same, not because they want to change their minds but because they have an opportunity here to express themselves on the measure as a whole, and I think they should have that opportunity. Beyond that point may I say that by taking the action I intend to take, in no way do I reflect on the views that other members may hold on this question. The longer I am in Parliament the more I come to understand that other people can have views which they honestly hold and which they support in this House: that is the inherent right of every member, and I respect those views.

Although I have opposed several Bills on social issues I believe I can claim that I have never imputed motives to members in relation to views they have held, and I believe that I, in turn, have had my views respected by other members. This is not a matter of recrimination, of blame, or of attributing motives to any person: it is a question of how we see the matter before the House. I sincerely believe that to pass this Bill, even in its modified form, is not in the best interests of the younger people of this community. Many people in the last day or so have asked me to persist in my opposition to this measure, as far as the procedures of this House enable me to go. For that reason, and because of my personal conviction, I oppose the third reading and I shall take such action as is open to me under Standing Orders to continue to oppose it.

Mr. HUGHES (Wallaroo): I will oppose the third reading. Like the Treasurer, I respect the views of other members. Throughout this debate, which has been conducted in a proper manner, there have been times perhaps when we have criticized one another for saying one thing and doing another but, apart from that, I think that members who have spoken have expressed a true conscience. One thing that makes me concerned and think that I should vote against this Bill is that the mover of the amendment, which makes the permitted minimum age 20 years (a reduction of one year), intimated that this could be the stepping stone to reduce the age further to 18 years. It was not the Attorney-General and I do not refer to him. I think that the mover of the amendment lost much support in making that statement. I will not repeat what he said, because I do not wish to misquote him, but he did say that the amendment could be a stepping stone in reducing the permitted age of drinking from 21 years to 18 years. It is a dangerous aspect if certain members are considering that the present Bill could be a

stepping stone to reduce the permitted minimum age. Members have said during the debate that they do not desire the age to be lowered from 21 years to 18 years, and that they would not support that age on any account, but if they support the Bill in its present form they will be supporting the statement of the mover of the amendment. It seems from the statements made by the member for Onkaparinga that it will not be long before further steps are taken to reduce the permitted minimum age. It will not happen this session, because there is not much of the session or of this year left, but we will meet again early next year.

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

Mr. HUGHES: I said before the adjournment that the member for Onkaparinga had weakened his case in the Committee stage. I realize that we must speak to the Bill as it has come from Committee, bearing in mind that the member for Onkaparinga is responsible for the way in which the measure is now presented to us. I refer, of course, to the fact that the minimum age at which people may drink has now been lowered from 21 years to 20 years. I said before the adjournment, although I was not sure of the actual words, that the honourable member had said this provision could be used as a stepping stone to lowering the age from 21 years to 18 years. Having had an opportunity during the adjournment to check on what the honourable member actually said, I point out that, taking the Attorney-General to task, he did not actually say "stepping stone" but that he meant that in his closing remarks.

The Hon. J. W. H. Coumbe: How do you know what he meant?

Mr. HUGHES: It is not a funny joke: this is one of the most vital measures that has been brought before the House in many years. Although I previously gave credit to honourable members for the way in which they had considered the Bill, I am now making a last plea to honourable members to reconsider the Bill in the third reading. The member for Onkaparinga, referring to a report by the Police Commissioner on accidents, said:

We are going to allow the younger age group in this State the opportunity to become intoxicated, and this will affect the accident toll here . . . I believe there is not a demand from the younger people for this particular alteration in the licensing laws.

He then took the Attorney-General to task, as follows:

The Attorney-General said that a development had to occur . . . We should not

lower the age by three years in one move. Let us bring it back to 20 years and then, if we think it is not harmful to society as a whole, we can agree to lowering the age still further.

That is what I meant when I said that the honourable member had done his case much harm because that statement conveyed to me the meaning that this was only a sop and that within perhaps 12 months we could be considering a private member's Bill to lower the age from 20 years to 18 years. As many members from both sides have already indicated that they are against lowering the age from 21 years to 18 years, I ask each member to re-examine carefully what I have just quoted, namely, "we can agree to lowering the age still further". That leaves no doubt in my mind about the honourable member's intentions; otherwise, he would never have said what he said in an endeavour to have an amendment carried. Because of that, I urge members to consider the matter carefully before they vote in favour of the third reading because, if those members who have indicated that they are definitely against lowering the age from 21 years to 18 years continue to vote in favour of this Bill as it stands, they will be contributing to another Bill appearing before this House within the next 12 months to lower the minimum drinking age from 20 years to 18 years. Therefore, I cannot support the third reading. I will vote against it and I plead with other members to vote against it, too.

Mr. EVANS (Onkaparinga): I should like to correct any misunderstanding that may have arisen about any statement I have made. I believe the qualifying remark in my statement is that, if it is not harmful to society in general, we may be able to consider lowering the age still further. My main reason for being against lowering the age from 20 years at this stage is that I believe it may be harmful to society as a whole. That was the tenor of my earlier remarks. I said I did not think the young people of today were any more mature at the age of 20 years than young people were at that age 40 years ago. I also stated earlier that I sincerely believed the age could have been 20 years many years ago; 21 years of age is no longer necessary. After all, at the age of 20 years a person is no longer a teenager.

I did not mean to imply that this was a stepping stone. If it is not harmful to society to reduce the age, for what other purpose would we leave it at 20? If at some future date it can be lowered without harming society,

I see no reason why it should not be lowered. I have been accused of submitting this amendment as a stepping stone to lowering the age to 18 years. I challenge the Premier and the Attorney-General to leave it at 20 years and, if they can prove they can police it and that it would not be harmful to lower the age, there may be some room for lowering it. I did not mean to imply that this was a stepping stone.

I thank those honourable members who have supported my amendment. I urge on all honourable members that this is an opportunity to get an age that I believe is acceptable to the public. After all, we now conscript our young men at 20 years of age, and 20 is a good age at which to speak on most topics concerning society—marriage, and so forth. So I ask all honourable members to consider this seriously, for it is a serious and not a funny topic; it is not to be laughed at. I repeat that I did not suggest this age as a stepping stone; honourable members can cast that thought from their minds. I did not mean to imply that from any comment I made.

The Hon. D. A. DUNSTAN (Leader of the Opposition): I propose to vote in favour of the third reading, but I do so with no great enthusiasm. The present situation is that a change is proposed to be made from 21 years to 20 years. What I fear is not so much that it is a stepping stone to the age of 18 years as that, this change having been made, it will be an excuse for not making a further one.

Mr. Clark: What magic is there in the age of 20 years?

The Hon. D. A. DUNSTAN: No magic at all, except that it is a sop to reform, as the Attorney-General has said. I cannot think that the right thing has been done in this matter. I am sorry for what has happened in the Committee stage, and I must say that I am surprised, too. The Government refused another measure before this House which would have commanded, as it dealt with the whole problem, more support from this side than this measure has done, so I would have expected that in introducing a piecemeal measure on this issue alone it would not be doing so without the support of members of the Government.

I have never known in the time I have been in this House (and it is a few years now) a Government introducing a Bill on a major issue of this kind when so few Government members support it. Mr. Bywaters voted against a Bill introduced by me, but he was not in the majority on my side.

The SPEAKER: Order! I do not think I can allow the Leader to pursue that point further.

The Hon. D. A. DUNSTAN: I do not want to pursue it further, other than to say that if other action had been taken by the Attorney-General he would not now be in the position that a measure introduced as a Government measure to this House has been defeated overwhelmingly on the votes of Government members, and I am sorry about that. I will endeavour to see that we do what I think is the best for the State, that is, that we take this minor step.

Mr. Lawn: It might not be altered for years.

The Hon. D. A. DUNSTAN: That is the worry I have. I only hope that this step will be what the member for Wallaroo (Mr. Hughes) fears it may be, namely, a stepping stone to what I believe to be the right thing.

The Hon. R. S. HALL (Premier): I support the third reading. I think all members know that I supported the provision for drinking by 18-year-olds. I cannot for the life of me see how the Leader of the Opposition can turn this back into a Party measure, after the divisions we have had in which members of his own Party voted against the provisions of this Bill, without resort to Party politics, and, as some members of the Opposition have claimed, quite without discipline in their Party. It is futile for the Leader, for some political purpose, to try to turn this into a Party political division. Just as the Leader can say that this Bill was defeated by members of the Government, so I can say that the Bill was defeated by members of the Opposition.

The Hon. D. A. Dunstan: How many of them?

The Hon. R. S. HALL: I know that in one division—

The SPEAKER: Order! I cannot allow the Premier to pursue that line of argument.

The Hon. R. S. HALL: I alluded to remarks of the Leader of the Opposition.

The SPEAKER: I called him to order, too.

The Hon. R. S. HALL: The progress of this Bill has been noted for sharp divisions on either side. The provision relating to drinking by 18-year-olds was defeated by equal participation from both sides. If either Party had disciplined its members, this provision would have passed.

Mr. LAWN (Adelaide): I did not intend to participate in this debate until the Premier said that he could not understand how the Leader could turn this into a Party Bill or, in other words, a Government Bill. The remainder of the Premier's remarks reminded me of a sow wallowing in a trough of confusion. As this Bill was introduced, it contained the provision for 18-year-olds drinking and for the age of barmen and barmaids, and it included a taxation measure.

The Hon. D. A. Dunstan: A Government measure.

Mr. LAWN: Exactly. It was introduced by a Cabinet Minister as a Government Bill. It was only because of the rank and file of the Liberal—

Mr. McKee: Had the age been 16, they would have supported it, because the tax provision was in it.

Mr. LAWN: If the age was 14 years, they would have had to vote in favour of it, because it was a Party measure, a Government Bill, until the Government agreed to split it, when the Bill now before us became a social measure and members were free about how they voted. The Leader was correct in saying that this was introduced as a Government Bill, a Party Bill.

Mr. VIRGO (Edwardstown): One of the matters motivating me, like the member for Adelaide (Mr. Lawn), is the obvious contempt that the Premier has displayed for Parliamentary proceedings and for members. The Premier knows better than anyone else that it is completely untrue for him to say that both Parties had equal participation. His only support came from three Cabinet Ministers. If he wants to talk about disciplining Party members, I suggest that he start on his own side. I, like the Leader, think that this is a limping, hesitant move towards the twentieth century.

The way this debate has proceeded is a tragedy, and the opinions expressed by some members opposite are typical of an archaic decision. Unlike the member for Wallaroo (Mr. Hughes), I hope that we consider this Bill to be a stepping stone towards what is needed in South Australia, not only in regard to further reducing the minimum drinking age but for all purposes. Why we are suddenly regarding the minimum age of drinking as being of greater importance than the other matters is beyond me. As the Leader has said, it is a matter of taking the crumbs from the table, and fairly minor crumbs have been spilt.

I reluctantly support the third reading, for no reason other than that this is the best we can get.

Mr. Lawn: We might get something better next session if we voted this out.

Mr. VIRGO: We might, but I would not gamble on that. I hope that next year the minimum drinking age will be reduced to 18 years, which it should be. It is rubbish for the Premier to say that the Parties share equal responsibility for the defeat of a Government measure. Only when the Attorney realized that, because of defection on his side, the original Bill would not go through was he forced to split the Bill, not being able to discipline his members.

The SPEAKER: The question is "That this Bill be now read a third time". For the question say "Aye", against "No". I think the Ayes have it.

Mr. HUGHES (Wallaaroo): I rise on a point of order, Mr. Speaker. I understood the Treasurer to call for a division. If he did not, I do.

The SPEAKER: Did the Treasurer call for a division?

The Hon. G. G. PEARSON (Treasurer): Yes, Mr. Speaker.

The SPEAKER: I am sorry, I did not hear the call.

The House divided on the third reading:

Ayes (25)—Messrs. Allen, Arnold, Brookman, Broomhill, and Burdon, Mrs. Byrne, Messrs. Corcoran, Coumbe, Dunstan, Evans, Freebairn, Hall, Hudson, Jennings, Langley, Loveday, McAnaney, McKee, Millhouse (teller), and Nankivell, Mrs. Steele, Messrs. Teusner, Venning, Virgo, and Wardle.

Noes (12)—Messrs. Casey, Clark, Edwards, Ferguson, Giles, Hughes, Hurst, Lawn, Pearson (teller), Riches, Rodda, and Ryan.

Majority of 13 for the Ayes.

Third reading thus carried.

Bill passed.

TRUSTEE ACT AMENDMENT BILL

Consideration in Committee of the Legislative Council amendments:

No. 1. Page 1 (clause 3)—After line 20 insert—

"(aa) by inserting after paragraph (b) the following paragraph:—

(ba) on any mortgage registered pursuant to the Real Property Act, 1886-1967, as

amended, of any perpetual lease granted under the Crown Lands Act, 1929-1967, as amended, or under any corresponding previous enactment;"

No. 2. Page 2, line 37 (clause 3)—After "society" insert—

"and to the effect that the Auditor-General is satisfied that the rules of the society provide that the right of any member to withdraw the whole or any part of his subscription is subject to the availability of the funds of the society to meet present and future claims by depositors".

The Hon. G. G. PEARSON (Treasurer): I move:

That the Legislative Council's amendments be agreed to.

I have considered these amendments; I have no objection to them, and I ask the Committee to support them.

The Hon. D. A. DUNSTAN (Leader of the Opposition): I have examined the amendments, the first of which allows a trustee to invest money in a mortgage on a perpetual lease, and it seems to me that this is reasonable and in line with the legislation. I do not object to it or to the second amendment.

Amendments agreed to.

STAMP DUTIES ACT AMENDMENT BILL (No. 3)

His Excellency the Lieutenant-Governor, by message, recommended to the House of Assembly the appropriation of such amounts of money as might be required for the purposes mentioned in the Bill.

Adjourned debate on second reading.

(Continued from November 19. Page 2558.)

The Hon. D. A. DUNSTAN (Leader of the Opposition): I have no objection to the form of this Bill so far as the form carries out the principles contained in the Bill, which I think the Bill effectively does. However, I do not support the Bill. I do not believe the extension of the 1½ per cent duty to all areas of credit sales transactions is justifiable. What will be the effect of this taxation measure? Taxation is not merely a revenue-producing weapon. By imposing taxation, we do not merely raise sufficient money with which to pay our outgoings: taxation can also be a means of affecting the market, the rate of business turnover and the rate of investment, and by selecting the weapons of our taxation we can affect the market in the community. At the moment within the consumer durables area

at which, of course, this form of taxation particularly strikes, we still have some unused capacity in South Australia, and it is not helpful to the situation in the consumer durables industries, or the supply industries to them, to put any sort of inhibitions on the granting or obtaining of credit by people in the community.

I know it may be said that some of the proposals in this Bill fill in the gaps in the tax originally imposed on hire-purchase agreements and that they fill in the gaps for people who are in the more affluent area than are those relying on hire-purchase agreements. But it also strikes at those who are in the less affluent area because it strikes directly at rental agreements. In consequence, this is a piece of legislation across the board affecting credit sales and instalment purchases. In a credit-angled society such as ours, this inevitably will mean that it is more expensive for the community to obtain credit sales facilities and, at the same time, it adversely affects credit sales of consumer durables. The 15 per cent of the production in South Australia of consumer durables which is sold within this State does not need something which damps down the market: it needs something which stimulates it. In consequence, I do not think this is the proper way to go about raising money at this time.

I think it inevitable, again, that if we build this into our tax structure it will be difficult to get rid of it, and I think we should be going in for taxation in a much more progressive form than this, which is regressive taxation straight across the board. Therefore, although I appreciate the advisability of filling in some of the loopholes, I think this general provision to cover the whole of the credit sales area with an additional stamp duty impost is not justified, and I do not support it.

Mr. McANANEY (Stirling): I strongly support the Treasurer's action in regard to this Bill, in which he is trying to close up gaps in regard to the rate of taxation that was increased by the present Opposition when in Government. Businesses are now using other methods with which to grant finance and I think it is only fit and proper that if we are to have a tax it should cover every form of taxation of a like nature. I do not agree with the Leader of the Opposition when he says that this Bill will damp down sales, because there is increased income within the community through salary increases and other factors. If the Government is to provide the money in this regard, the purchasing power is transferred to it and thence to the various avenues,

so that the same sum is in circulation. Whatever form of tax we are considering, it represents only a transfer of purchasing power from one section of the community to another. Although no-one likes increased taxation, the Government is responsible to see that loopholes in the legislation are covered, so that some people cannot avoid paying a tax merely by entering into a certain form of transaction.

Basically, all we are doing is transferring the purchasing power from one section to another: the overall result will be the same. I support the Treasurer in what he has done in an attempt to balance the Budget. We cannot go on creating Budget deficits. We already have an accumulated deficit of \$9,000,000. I congratulate the Treasurer on his courage in restoring the State Government's ability to balance the Budget, to avoid future trouble. We have a hand-out in one year and then we have to pay interest on that amount (or lose interest on the investment disposed of). That is costing us about \$500,000 this year, spread over the whole community. That deficit of \$9,000,000 accrued in the three years of Labor Government. We should have enough courage to face up to the fact that we need financial reform rather than the social reform on which the Leader of the Opposition is so keen; yet he is not willing to venture into financial reform.

Mr. RICHES (Stuart): I oppose this measure. If I had wanted to do so at the time, I could have quoted some extracts from various speakers which, I am sure, would have satisfied the member for Stirling, because I could have quoted from his own speeches made last year, in which he strongly opposed increases in taxation. Every reasonable step taken by the previous Government to raise revenue was strongly opposed by the member for Stirling. His opinion then was that the rate of taxation in South Australia was too high; yet the present Government has spent most of this year raising it higher still.

The Hon. D. A. Dunstan: It is responsible Government when they do it but, when we try to do it, it is wrong.

Mr. RICHES: Is it not true that every State in the Commonwealth has difficulty in balancing its Budget? None of them will unless the Commonwealth comes to the party. That is the answer. I strenuously oppose these continual imposts on those people who can least afford to bear them. Some people can buy television sets, while others cannot. For

those who can buy them for cash—well and good; those who have to rent them will be hit to leg with this tax.

The Hon. G. G. Pearson: Who said so? Have you read the Bill?

Mr. RICHES: I am suggesting that. If the Treasurer tells me I am wrong, I will accept that. It is a most difficult Bill for a layman to read and understand. I tried to follow it and found it difficult; even with the Treasurer's explanation it is still difficult to understand, but that is how I read it: that rental contracts will be subject to the duty. If the Treasurer can assure me that that is not so and that these transactions and similar transactions are not subject to the duty, that will alter my view.

The Hon. G. G. Pearson: The honourable member will see that they are subject to the duty but he will also see there is specific provision in the Bill to prevent the duty being passed on to the hirer.

Mr. RICHES: I read that, of course, but who has been fooled with that one? I am not saying that the Treasurer is not trying to ensure in the Bill that that is so, but I suggest to him that it would be impossible to contain the increases in the way he suggests. The increase will inevitably go into the price in the first instance, and no-one but the purchaser can meet this increase in duty. It has to go into the price when the price is determined in the first instance.

I know that the Act provides that the sum shall not be added to the cost price once the cost price is fixed, but who can believe, in the light of experience of the society in which we live today, that that will not be included in the price the purchaser or the consumer will have to pay? The people who take out these agreements or enter into these contracts which carry such high rates of interest are the ones who can least afford to pay taxation, and these people have always had my sympathy and always will. I know that the criticism I am offering can apply to many pieces of legislation and many items of taxation, but these measures have never commended themselves to me and this one does not do so. Therefore, I oppose it.

Mr. HUDSON (Glenelg): I oppose the Bill. I do so as a further protest against the actions of the present Government when we compare those actions with its record in Opposition and what it told the people of South Australia during the election campaign. I also oppose it

as a further protest against the kind of levy that is being imposed on forms of credit which are generally most used by those on the relatively low incomes.

Mr. McAnaney: That is why you increased the hire-purchase rate!

Mr. HUDSON: I agree that from the point of view of consistency the Treasurer has a point in saying that we will get complete consistency of treatment over the whole field of credit documentation as a result of this change. However, I point out to the Treasurer that for the ordinary citizen who cannot get a bank overdraft but who can get a personal loan (from a hire-purchase company, for instance) the effect can be very substantial. I recently purchased a fairly big item and was able to negotiate a bank overdraft. The consequence of that is that I am paying an effective rate of interest of 6½ per cent or 7 per cent—I am not sure which it is.

The Hon. G. G. Pearson: You are lucky if you are getting it for only 6½ per cent.

Mr. HUDSON: Then it is probably 7 per cent. Apart from that, if I had had to take out a personal loan from a hire-purchase company and it had been at, say, a flat rate of 8 per cent, the effective rate of interest would have been 16 per cent, and that, together with the 1½ per cent stamp duty now proposed by the Treasurer, would have made the interest 17½ per cent if this sum had been borrowed over a period of one year, compared with the 7 per cent that I pay on a bank overdraft. I do not know whether my bank manager regards me as a good risk, or whether he thinks that as a member of Parliament I must be regarded as a good risk, whether I am or not. The fact is that I can organize a bank overdraft whereas most people in the community on ordinary incomes cannot get such finance. The well-off person gets the benefit of an interest rate of 7 per cent, whereas the poorer person has to pay about 17 per cent. However, those who borrow on bank overdraft will not have to pay more. This has been a feature of our credit system and it is a pity that it is now being made worse.

The Treasurer claims that this impost falls on the lender, but I suggest that it is likely to be passed on, if not directly by way of additional charge (because that is prohibited), then in the interest rate. There is nothing to prevent hire-purchase companies, as a result of all their transactions being subject to this duty, covering themselves by increasing the interest rate. If the average term of their

lending is about two years, they need only increase their flat rate of interest by three-eighths of 1 per cent, giving an increase in the effective rate of interest of three-quarters of 1 per cent and covering the stamp duty payable over the two-year period. Many reasons suggest that there is enough collusion or consultation between hire-purchase companies to enable that to be done, and the charge can still be passed on, even though the Treasurer claims that the lender has to pay for the impost in this legislation.

I take issue with the member for Stirling (Mr. McAnaney), who has said that we must have a balanced Budget and that now is the time for reform. I join completely with the member for Stuart (Mr. Riches) in his statement about the member for Stirling and other members opposite when they were in Opposition. If we had had, when in Government, a responsible Opposition that took a responsible attitude towards its role in the community and towards the need of Government for finance, the present Government would not be faced with the deficit that it now has. For the member for Stirling to speak as he has done is hypocrisy, in view of his earlier statements, including those made during the last election campaign. I am puzzled about the kindly treatment being meted out to the "big three", John Martins, Myers, and David Jones. The Treasurer takes some pleasure from the fact that they are being more kindly treated in this State, where the exemption applies to accounts up to \$300, than in other States that have a limit of \$200. I suppose this arises because the "big three" have passed this impost on by eliminating the 2½ per cent discount that was given in South Australia for many years to those who paid their accounts within 30 days.

Mr. Ryan: Was it cut out to meet these imposts?

Mr. HUDSON: I am sure the Treasurer would say that he knew nothing about it, and the firms would say that elimination of the discount had nothing to do with the stamp duty, receipt duty, or turnover tax. However, I do not think there is any doubt that the imposts in this Bill and by way of turnover tax are a direct reason for the removal of this long-established privilege. I suspect that the Treasurer can take credit for something. For years one or two of these firms had wanted to get rid of the cash discount, and Myers in Melbourne and David Jones in Sydney both suggested to their subsidiary in this State that the discount should not be allowed, but they

had not been able to shift John Martin and Company in Adelaide, or alter the competitive situation in South Australia that resulted in all stores giving the 2½ per cent discount for prompt payment of accounts. However, the Treasurer has been able to do that, and that is one of his most signal achievements. I hope when he pays his bills to John Martins, Myers, and David Jones, and finds that he cannot get the 2½ per cent discount, he will say, "I suppose I have to pay for the things I have brought about."

Mr. Edwards: Who said they don't give it now: they are giving 2½ per cent discount.

Mr. HUDSON: Hasn't the honourable member heard the good news? These firms are going to cut it out, and for people on the West Coast first of all. They will also catch up with the honourable member. It has been a strange spectacle during this session to see the Government slugging South Australian taxpayers left, right and centre on financial matters, after its record in Opposition when it opposed every financial measure introduced by the Labor Government and when its colleagues in another place defeated the financial proposals of the previous Government and made the budgetary situation worse. Also, during the whole of the election campaign Government members refused to be honest with the people of South Australia and tell them whence the revenue was coming. Now, the Government has introduced financial slug after financial slug. I hope that you too, Mr. Speaker, find it a strange commentary on the situation which finds you in the Speaker's Chair and the Liberal and Country League in Government.

The Hon. R. R. LOVEDAY (Whyalla): I express my opposition to this Bill on the same grounds as those expressed by my colleagues. Opposition members are not likely to forget easily the bitter denunciations of the Labor Party for any taxation proposals it brought down during its term of office. As the member for Glenelg said, it was suggested that the Labor Government was utterly irresponsible in view of the position of the State in common with every other State of Australia. Now, the present Government is critical of the Commonwealth Government because of the financial position of this State, and Government members are saying what we said when we were in office, at a time when they so resolutely failed to support us in our contentions about Commonwealth-State financial relations.

The Hon. D. A. Dunstan: They said we were blaming the Commonwealth for our faults, but now they are in office they are saying the same thing.

The Hon. R. R. LOVEDAY: Of course, and many of their expressions are more castigating than those we used. We were denounced with one object: merely to achieve power and to get us out of office, irrespective of the consequences.

Mr. Corcoran: And blame us for the result of their own actions.

The Hon. R. R. LOVEDAY: Exactly. I therefore strongly oppose this measure. The Government, when it was in Opposition, turned down taxation measures that would have imposed taxation on those people who could afford to pay it, and now a tax is to be imposed on those people who are least able to pay it. This will rope in a whole series of people who have to use credit transactions and who otherwise would not be able to effect their purchases: people who, unless they were in difficult financial circumstances, would not be buying the articles concerned in these transactions. Obviously, this taxation will be imposed on those people least able to pay it, quite contrary to all the best tenets of taxation. This measure cannot be too strongly condemned in the light of what has happened during the last three years.

The Hon. G. G. PEARSON (Treasurer): I want to comment on one or two points raised by Opposition speakers in order to clear up, if I can, some of the objections they have to this measure. I was interested in the short but marked dissertation of my friend, the Leader of the Opposition, on taxation measures generally. I agree substantially with what he said; he is in very good company because the Commonwealth Treasurer also asserts quite strongly from time to time that taxation is a vehicle of fiscal policy, which is why he strenuously objects to the States having any part in collecting income tax. I am sure my predecessor, as Treasurer, will have heard the Commonwealth Treasurer say this.

True, taxation does and must have an effect upon the economic outlook of the community. This does not mean that every form of taxation has equal incidence, as the Leader of the Opposition has pointed out. However, he has a habit of separating them into progressive and regressive forms of taxation. I could never see the line of demarcation between the various taxes that the Leader sees. However, that is by the way. He has referred

particularly to the effects of this taxation on consumer durables. Linked with his remarks were those of the member for Stuart (Mr. Riches) who criticized the measure because, he alleged, it would fall most heavily upon those people who could least afford to pay. I remind him that the Bill contains a specific provision that is designed to prevent the tax being passed on by the lender to the borrower.

Mr. Ryan: How will you police it?

The Hon. G. G. PEARSON: If the honourable member will be patient I will try and recite some circumstances that will help him to understand the situation. First, regarding whether people can afford to pay, I remind the member for Stuart that one of the organizations that has successfully organized itself out of hire-purchase duties as they presently apply is General Motors-Holden's. That is one of the organizations which is included in this legislation and which hitherto has organized itself outside of its scope. Does the member for Stuart seriously suggest that General Motors-Holden's, with its General Motors Acceptance Corporation plan, etc., cannot afford to pay this 1½ per cent duty? It is rather interesting that in the short time that I have been Treasurer I have had a number of visits, by request, from members of the Australian Finance Conference, whose purpose on most occasions has been to protest at the provisions in the existing Act which prevent their passing on the tax. If the provisions in the Act are ineffective (after all, we are inserting the same provisions as we have in the present Act), why do people repeatedly ask me to take them off?

Mr. Corcoran: It will be more difficult under this Bill, but they can get around it, and you know it.

The Hon. G. G. PEARSON: If they were, in fact, passing on the tax, they would not be asking me for these provisions to be removed. I am not so silly as to claim that any provision in an Act is completely watertight—

Mr. Corcoran: It is not in this case, either.

The Hon. G. G. PEARSON: —but what we are putting in here, with the provisions we already have, prevents the hire-purchase people from passing on their charges to the borrower.

Mr. Corcoran: It doesn't prevent that.

The Hon. G. G. PEARSON: I think the point I have made ought to illustrate this fact.

The Hon. J. W. H. Coumbe: We're closing a loophole.

The Hon. G. G. PEARSON: Yes, many loopholes, because at present certain companies operating in the finance business are able to organize their affairs so that they do not come within the scope of the present Act. The purpose of the measure is therefore to bring them within the scope, as honourable members who have read the explanation I made yesterday will be aware. I suggest therefore that for the most part the provisions of this Act will not affect people to whom the member for Whyalla and the member for Stuart have referred as being people who can least afford to pay.

Mr. Riches: They're the only people it will affect.

The Hon. G. G. PEARSON: If the honourable member does not and cannot accept any grain of truth in what I am trying to say, so be it; I cannot do any better. I have pointed out the way in which we go about this, and the effect these provisions are obviously having at present on those people within the scope of the existing Act. The member for Glenelg (Mr. Hudson) suggested that those people who needed money and who could not get it by means of a bank overdraft, etc., would have to pay 17½ per cent, whereas the person who is able to raise a bank overdraft could get the money at 7 per cent. He suggested, by inference (I know he did not seriously put it forward as a solid argument), that this additional tax was in some way involved in the 17 per cent that would be paid: 1½ per cent of it obviously is, but the jump from 7 per cent to 16 per cent has nothing whatever to do with this measure. Admittedly, the 1½ per cent has.

Mr. Broomhill: That is the point he was trying to make, I think.

The Hon. G. G. PEARSON: So this is not a big field of financial involvement. In any case, it has always been the fact (perhaps the unfortunate fact) that the person who can afford to pay cash or arrange his own terms with the vendor of goods is always in a more fortunate position than the person who is short of money and has to get it by other means, and I suppose that will always be the case.

Mr. Riches: That is my whole point.

The Hon. G. G. PEARSON: Very well, but it is not an unusual circumstance. In the legislation already operating in South Australia in the major part of the field of household appliances, the hire-purchase tax of 1½ per cent already applies.

Mr. Riches: But not with my support.

The Hon. G. G. PEARSON: But you were in Government when the tax was increased, so do not tell me it was not with your support. This is already in operation. What we are doing here is to extend it to people who hitherto have been able to escape it, and those people who so far have been able to escape it have not been offering their credit terms any more advantageously to their buyers than the people who have been paying 1½ per cent. I will take a shade of odds on that.

Mr. Ryan: What shade of odds would you take?

The SPEAKER: Order!

The Hon. G. G. PEARSON: I am quite sure that those people at present not paying the hire-purchase duty would not be offering their goods on any better terms today than those who are. The member for Glenelg mentioned another point to which I wish to refer—his rather humorous reference to the “big three” down Rundle Street. He has a very nice way of indirectly involving people in certain relationships. I say categorically that the member for Glenelg must be very much more deeply in the confidence of the “big three” than I am. I say frankly that I knew nothing of the provisions that those people have made in recent months; I had absolutely nothing whatever to do with them. It has always been a sore point with me that, if I go down Rundle Street shopping (which I rarely do) I pay cash for what I buy, but other people who go there shopping put their purchases on an account and get 2½ per cent discount. I could never understand that, for the life of me.

Mr. Corcoran: You get cash discount if you ask for it.

The Hon. G. G. PEARSON: With my usual mean streak in me, I generally explore every avenue I can for economies. The member for Glenelg linked those remarks with the \$300 exemption in the Bill. True, at present Victoria has a \$200 exemption. I believe I mentioned that New South Wales has a \$200 exemption, and I have it on authority that it is proposing to raise it to \$400. Indeed, I believe there are some people who would like to see it raised to \$600. However, after consultation, we decided to fix it at \$300, because we thought it was a reasonable rate, and that, and that only, is the reason for this figure in the Bill. More than that I do not wish to say now. This Bill, in spite of the objections of the Opposition, is a reasonable proposition.

Mr. Ryan: You did not say that when you were in Opposition.

The Hon. G. G. PEARSON: What I said 12 months ago does not enter into this debate. Every dog has his day, and probably some of the words that have been uttered recently on these matters will come home to roost one day, too.

Mr. Langley: There is not much consistency.

The Hon. G. G. PEARSON: I think this is a reasonable proposition, in view of the need for revenue that I have. I realize that no tax is a good tax. However, there is no purpose in pursuing this line of discussion. I say again that I think this is a reasonable approach, for it puts on an equal footing all people who are in the finance business, and it brings in a large group of people who are in the finance business in a very big way and who are presently escaping the duty. Therefore, I think this measure ought to commend itself to honourable members. It will bring in a useful amount of revenue to the Budget which is sorely needed.

The House divided on the second reading:

Ayes (18)—Messrs. Allen, Brookman, Coumbe, Edwards, Evans, Ferguson, Freebairn, Giles, Hall, McAnaney, Millhouse, Nankivell, Pearson (teller), and Rodda, Mrs. Steele, Messrs. Teusner, Venning, and Wardle.

Noes (18)—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Casey, Clark, Corcoran, Dunstan (teller), Hudson, Hughes, Hurst, Jennings, Langley, Lawn, Loveday, McKee, Riches, Ryan, and Virgo.

Pair—Aye—Mr. Arnold. No—Mr. Hutchens.

The SPEAKER: There are 18 Ayes and 18 Noes. There being an equality of votes, I give my casting vote in favour of the Ayes.

Second reading thus carried.

Bill taken through Committee without amendment. Committee's report adopted.

The House divided on the third reading:

Ayes (18)—Messrs. Allen, Brookman, Coumbe, Edwards, Evans, Ferguson, Freebairn, Giles, Hall, McAnaney, Millhouse, Nankivell, Pearson (teller), and Rodda, Mrs. Steele, Messrs. Teusner, Venning, and Wardle.

Noes (18)—Messrs. Broomhill and Burdon, Mrs. Byrne, Messrs. Casey, Clark, Corcoran, Dunstan (teller), Hudson, Hughes, Hurst, Jennings, Langley, Lawn, Loveday, McKee, Riches, Ryan, and Virgo.

Pair—Aye—Mr. Arnold. No—Mr. Hutchens.

The SPEAKER: There are 18 Ayes and 18 Noes. There being an equality of votes, I give my casting vote in favour of the Ayes.

Third reading thus carried.

Bill passed.

BOILERS AND PRESSURE VESSELS BILL

Adjourned debate on second reading.

(Continued from September 24. Page 1316.)

Mr HURST (Semaphore): This Bill, to consolidate and amend the law relating to boilers and pressure vessels and for other purposes, contains some desirable features, and I consider that the method of tidying up this legislation is desirable. The Steam Boilers and Enginedrivers Act was passed in 1911 and, although it was amended from time to time, the present Bill is designed to cover certain aspects that were not catered for in that legislation. As welding is a technique that applies in industry today, it is right and proper for persons doing welding to be licensed, because welding is important in relation to boilers and other pressure vessels. These people should be qualified, in order to ensure that the workmanship is of a standard complying with safety measures. The Minister has said that the Bill has the support of the Metal Industries Association of South Australia, which organization is primarily responsible for coverage of those industries to which the Bill will apply. Indeed, the organization of employees whose members are employed in this phase of industry also supports this measure.

Another desirable feature of the Bill is the provision regarding the designs of pressure vessels to be given before they are actually manufactured. This is an efficient manner of approaching the subject. What is the use of any manufacturer making a boiler or, for that matter, any goods or commodity, and having it available, and installing it, only to find that the vessel or commodity does not conform to the requirements of safety codes and regulations? The Bill provides for that aspect.

I do not consider it necessary to reiterate everything the Minister said. However, members on this side believe it would be desirable to include certain features in the Bill. These have been indicated in amendments which have been tabled by the Leader and which are on all members' files. It is proposed to amend clause 33 by inserting a provision regarding locomotives, vehicles known as excavator draglines, or any vehicle known as an excavator or face

shovel. We believe that locomotives operating on private lines should be operated by qualified persons. An anomaly has existed for many years, in that a person operating a stationary steam boiler is required to have a certificate, while a person who has been driving locomotives on private lines is not required to have one. All honourable members will agree that much more skill and attention is required and that much more stress and strain is involved in operating and driving locomotives than would be involved in attending to a stationary boiler. Also, in industry draglines are important parts of machinery. Indeed, that machinery needs to be operated by highly skilled and qualified men. We believe it is only fitting that, before a person is permitted to operate draglines, excavators and shovels, as enumerated in the intended amendments that will be moved, he should be properly qualified. It would be to the advantage of employers as well as employees to ensure that the necessary qualifications are possessed by potential employees. The amendments foreshadowed also define locomotives, excavators and draglines.

The DEPUTY SPEAKER: Order! The honourable member is debating amendments on the file, but there will be an opportunity to debate them when they are moved.

Mr. HURST: I am foreshadowing the amendments and their merits, for we are opposed to the provision without these amendments.

The DEPUTY SPEAKER: The honourable member has referred to amendments that are on the file; this matter can be debated when the amendments are moved.

Mr. HURST: Indeed, the merits of the amendments will be debated at the appropriate time. Although we may support the second reading of the Bill, which in many respects is a progressive measure, we believe we would be falling down in our duty if the relevant amendments were not moved, thereby inserting in the Bill the necessary protection and safety measures which this legislation is designed to obtain. It is rather coincidental that the Bill should be debated at a time when a safety convention is taking place in this State. Members opposite should listen to our pleas to have safety considered a real factor in industry. Having indicated that amendments will be moved when the Bill is in Committee, I have pleasure in supporting the second reading.

Bill read a second time.

In Committee.

Clauses 1 to 17 passed.

Clause 18—"Boilers and pressure vessels."

The Hon. J. W. H. CUMBE (Minister of Labor and Industry): I move:

To strike out "notice" and insert "regulation".

The Bill provides that the designs of all boilers and pressure vessels, irrespective of where or for what purpose they are ultimately to be used, are to be approved, and they must be constructed in accordance with that approval. The registration and inspection provisions of the Bill will apply only to certain classes of boiler and pressure vessel. While it is important that, for example, the design of a cylinder that contains gases under pressure conforms to standards to ensure safety, and that these cylinders are constructed in accordance with the design, it is not necessary for them to be registered or regularly inspected.

The purpose of this amendment, the first of a series of 10 amendments, is to provide that the method by which a boiler or pressure vessel is made subject to the registration and inspection provisions of the Act is by regulation instead of by a notice published by the Minister in the *Government Gazette*.

Clauses 18 and 19 are the only places in the Bill where the operative procedure is by way of a notice. The Government considers that it would be more appropriate for the application of the Act to types of boiler and pressure vessel to be done by regulation, which will be subject to disallowance and scrutiny by this House, rather than by a notice.

Amendment carried; clause as amended passed.

Clause 19—"Application of Part to certain boilers or pressure vessels."

The Hon. J. W. H. CUMBE moved:

To strike out "Minister" and insert "Governor"; to strike out "notice published in the *Gazette*" and insert "regulation"; to strike out "in that notice"; and to strike out "and may by a like notice amend, vary or revoke that notice".

Amendments carried; clause as amended passed.

Clause 20—"Duty to register boiler or pressure vessel."

The Hon. J. W. H. CUMBE moved:

In subclause (1) to strike out "within fourteen days of" and insert "not later than fourteen days after the day of"; in subclause (1) (a) to strike out "of a notice" and insert

"in the *Gazette* of a regulation" and in subclause (1) to strike out "register" and insert "apply for the registration of".

Amendments carried; clause as amended passed

Clause 21—"Method of Registration."

The Hon. J. W. H. CUMBE: I move:

In subclause (1) to strike out "desirous of registering" and insert "applying for the registration of"; and in subclause (2) to strike out "issue" and insert "register that boiler or pressure vessel by issuing".

These amendments are consequential on the previous amendments accepted by the Committee.

Amendments carried; clause as amended passed.

Clauses 22 to 29 passed.

Clause 30—"Suspension of inspection certificates."

The Hon. J. W. H. CUMBE: I move:

In paragraph (b) after "alterations" to insert "other than repairs or alterations done in the ordinary course of the maintenance of a boiler or pressure vessel".

This amendment is necessary because of a set of circumstances that could occur. It has been suggested to the Government that it could be construed that paragraph (b) as at present worded would prevent any repairs from being carried out on a boiler or pressure vessel without the approval of an inspector. The Committee will appreciate that, if this were the case, it would prevent normal maintenance being carried on, and it would be impossible, for instance, for the Electricity Trust to operate its boilers at Torrens Island. The definition of "boiler" includes distribution pipelines, mountings, fittings, connections and ancillary plant necessary for the safe working of a boiler and there is a similar provision in the definition of pressure vessel. On large boilers, particularly, it is normal operating practice, when boilers are steaming continuously for many weeks of the year, to carry out maintenance while the boiler is steaming. Gaskets have to be changed, and so on.

The amendment makes clear that repairs and alterations done in the ordinary course of maintenance can be carried out in the normal way and it will not be necessary for an inspector to make an inspection in these circumstances. However, any major variation, or any making good after an accident that has been reported, will require inspection by an inspector. If the amendment is carried, the provision will be exactly as it has been in the past, except that work done normally on the maintenance

of a boiler can be carried out. It is most likely that work is done on a boiler or ancillary fitting at an Electricity Trust substation every night of the week, and it is not the intention of the Bill that an inspector would have to go there to change a gasket in a pipeline or fitting. There will be no avoidance of the desire to control carefully any repairs of a pressure vessel, yet the work will be able to proceed. The Electricity Trust agrees that the amendment meets the position to which I have referred.

Mr. VIRGO: I am not pleased about the amendment, although the Minister's case seems to be logical. The amendment has obviously been moved to satisfy the requirements of the Electricity Trust.

The Hon. J. W. H. Coumbe: Or of any similar power user.

Mr. VIRGO: Yes. The provision will apply to places other than Electricity Trust installations. I do not mind providing a concession to the trust, but I do not think a Bill of this kind has much application to the trust. The trust is a responsible organization as is the South Australian Railways Department, but can the Minister say what the words "ordinary course of maintenance" mean? The Minister suggested, as an example, that it could mean replacing a gasket in a pipeline, but if it were replaced with a faulty one or put in incorrectly and a serious situation was created, would this come within the terms of this provision? Also, the word "alterations" can cause some difficulty, and I am not sure that it should be included. I agree with the Minister's intentions, but I fear that he has not achieved what he set out to do, and I suggest that he consult with experts of the Electricity Trust or with engineers in the Railways Department before proceeding with this clause.

The Hon. J. W. H. COUNBE: I have checked with the Electricity Trust to see whether the points raised by the honourable member are covered, and they are. The word "alterations" has a wide meaning but in this context it can be explained as taking a faulty valve out of a pipeline and replacing it with a new one. That is an alteration, and that definition is generally accepted. It is not a repair, but is altering it with another valve.

Mr. Broomhill: Isn't it a repair rather than an alteration?

The Hon. J. W. H. COUNBE: No, it is regarded as a replacement or alteration rather than a repair. It is termed a repair when a valve is removed, repaired and put back into service. If a faulty valve is taken out of service and replaced with a new one, it is often regarded as an alteration. Also, it is termed an alteration when a different type of valve, either a larger or a smaller one, is inserted.

Most boilers are inspected only once a year, and many alterations and repairs have been effected, particularly to pipelines. If a gauge glass burst, it would simply be replaced or repaired, and we do not want an inspector having to go out if a licensed engine driver wants to insert a new gauge glass. Persons who operate a registered boiler, be it large or small, must hold a certificate of competency. This means that a person of that classification (or higher) engaged on this type of work would be in charge of the boiler and would operate it.

The member for Edwardstown has made certain suggestions. Apparently he is not satisfied with the explanation I gave. However, I went to considerable trouble to try to achieve the desired ends. If the honourable member is not satisfied with this, and if he wants the matter passed over to be considered later, I shall be happy to accept that.

Mr. VIRGO: I thank the Minister for his explanation, and I accept his offer to investigate this matter further. A boiler attendant would carry out repairs or alterations in the ordinary course of maintenance of a boiler or pressure vessel. However, I am thinking of the case where a boiler is temporarily thrown out of commission: the maintenance fitter must carry out work on it, and the boiler attendant then returns.

The Hon. J. W. H. COUNBE: I am prepared to consider further the point raised by the honourable member.

Progress reported; Committee to sit again.

ADJOURNMENT

At 9.31 p.m. the House adjourned until Thursday, November 21, at 2 p.m.