

LEGISLATIVE COUNCIL.

Tuesday, November 6, 1951.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2 p.m. and read prayers.

NEW MEMBER FOR CENTRAL DISTRICT No. 1.

The Hon. STANLEY CHARLES BEVAN, having taken and subscribed to the Oath of Allegiance, took his seat in the Chamber as member for Central District No. 1 in place of the late Hon. E. A. Oates.

ASSENT TO ACTS.

His Excellency the Governor's Deputy, by message, intimated His Excellency the Governor's assent to the Prices Act Amendment, Workmen's Compensation Act Amendment (No. 2), and Police Pensions Act Amendment Acts.

PUBLIC WORKS COMMITTEE'S REPORTS.

The PRESIDENT laid on the table the final reports of the Public Works Standing Committee on the Brighton and St. Leonards infant schools, together with minutes of evidence, also the first progress report on the Morgan-Barmera railway and Morgan-Cobdogla road.

LAND SETTLEMENT COMMITTEE'S REPORT.

The PRESIDENT laid on the table the report of the Land Settlement Committee on the acquisition of land in the Hundred of Baker in the County of Russell.

LANDLORD AND TENANT COMMITTEE'S REPORT.

The Hon. R. J. RUDALL laid on the table the report of the Committee of Enquiry on the Landlord and Tenant (Control of Rents) Act, 1942-1950.

LEAVE OF ABSENCE: CLERK OF THE LEGISLATIVE COUNCIL.

The Hon. R. J. RUDALL moved:—

That leave of absence for a further two months be granted to the Clerk of the Legislative Council, Mr. E. C. Redman, on account of ill-health.

Motion carried.

FINES ON INTERSTATE HAULIERS.

The Hon. F. J. CONDON—Has the Attorney-General a reply to my question of October 18 regarding the collection of fines from interstate transport drivers?

The Hon. R. J. RUDALL—I have nothing further to report, but as promised the honourable member I will ascertain how proceedings have eventuated.

SUBSIDIES ON SCHOOL EQUIPMENT.

The Hon. K. E. J. BARDOLPH (on notice)—

1. How many state school committees are receiving the pound for pound subsidy from the Government for the purchase of school equipment?

2. What was the amount of subsidy paid during the last financial year?

3. Are any schools other than State schools in receipt of such subsidy?

The Hon. R. J. RUDALL—The replies are:—

1. All State schools are eligible for payment of pound for pound subsidies for the purchase of approved school equipment. The actual number of schools for which subsidies were approved last year was 574.

2. The amount of subsidy paid during the last financial year was £33,575.

3. No.

WRONGS ACT AMENDMENT BILL.

The Hon. R. J. RUDALL, having obtained leave, introduced a Bill for an Act to amend the Wrongs Act, 1936-1944. Read a first time.

Second reading.

The Hon. R. J. RUDALL (Midland—Attorney-General)—This Bill deals with the subject of contributory negligence and proposes an important alteration in the law. It is primarily of interest to lawyers, and has no political significance. The rules which it lays down are applied only when one person has wronged another by negligence or some other civil wrong and the question of who is to pay for the damage, and to what extent, is to be determined. Although the subject of contributory negligence has given rise to legal questions of considerable difficulty and complexity the general principle can be stated simply and briefly. By the common law of England a person who causes damage to another by negligence is guilty of a tort or wrong and, in general, liable to pay damages to the injured person. But if the injured person has contributed to his injury by his own negligence, or by want of proper care for his own safety, he is said to be guilty of contributory negligence and cannot recover damages from the other negligent party. He must bear the whole of his loss even though

his fault was relatively small and that of the other party great. These rules of the common law were altered by statute in England in 1945, but they are still the law of South Australia.

I desire members to get an understanding of the general principles I have enunciated. The present rule, which is the rule of common law, is that if two parties are both guilty of negligence in an accident no damages can be recovered by either side. It may be that the negligence of one party is very small, but directly it is proved it has contributed to the accident he can recover no damages. That has never been the rule as regards shipping cases. In such cases the old rule used to be that if two ships collided and both were to blame, the total damage was assessed, each party becoming liable to pay half. That was altered in England in 1911, and the law on contributory negligence in shipping cases is that the cost is borne between the two parties. The Maritime Conventions Act of 1911 provides:—

Where by the fault of two or more vessels, damage or loss is caused to one or more of those vessels, to their cargoes or freight or to any property on board, the liability to make good the damage or loss shall be in proportion to the degree in which each vessel was in fault. That is the law in South Australia and is contained in section 119 of the Supreme Court Act, 1935. In recent years there has been much discussion about the rule of contributory negligence in ordinary cases and a strong body of judicial and legal opinion has grown up in favour of the idea of applying the admiralty rule in all cases. Much dissatisfaction has been expressed with the "all or nothing" principle of the common law. The matter has become a much more important legal issue than ever before because of the increasing number of collisions between motor vehicles and injuries to pedestrians caused by such vehicles. Judges have frequently expressed regret that they have no power to apportion damages in cases where both parties have been negligent, and that they are forced sometimes to deny damages to a party whose fault was only a relatively minor factor in causing the accident. In a recent case in our own Supreme Court the Chief Justice, sitting on an appeal from a local court, said:—

"If it were permissible to approach this problem broadly, I should have no hesitation in apportioning the damages, but as the law stands the judgment of the court must be for all or nothing and it is impossible to avoid the fine distinctions to which Lord Porter refers. . . . I regret the necessity for sending the case back for another trial, and

I would suggest to the parties the desirability of composing their differences upon broad lines of justice, but, if nothing less than justice according to law will satisfy them I think that there must be a new trial.

In 1937 Lord Maughan, then Lord Chancellor of Great Britain, referred the question of contributory negligence to the English Law Reform Committee under the chairmanship of Lord Wright. The committee consisted of 15 men of the highest judicial eminence, including members of the House of Lords, leading barristers and jurists. This committee expressed the opinion that the rule of apportionment applicable in admiralty cases was much fairer than the common law rule and recommended that it should be generally adopted. Their recommendation was carried into effect by the English Act entitled the Law Reform (Contributory Negligence) Act of 1945. Western Australia adopted the same principle in legislation passed in 1947. A Bill for the same purpose has recently been introduced in Victoria and the Statute Law Revision Committee of that Parliament recommended that it should be passed without delay. Some of the Canadian provinces have for a number of years had laws providing for the apportionment of damages which have been accepted as satisfactory. The Law Society of South Australia and the Australian Law Council have for some time been urging that the Australian States generally should pass similar legislation.

In 1950 the Law Council of Australia appointed a committee consisting of Professor C. W. Paton (Vice-Chancellor of the University of Melbourne), Mr. K. A. Ferguson, K.C. of the Sydney Bar, and Mr. D. B. Ross, K.C., of Adelaide, to consider the question of apportionment of damages and to prepare a standard Bill. This committee unanimously recommended that the English Act should be taken by the Australian States as the basis for legislation, with such modifications as were required to make it consistent with local statutes. Following this report the Government instructed the Parliamentary Draftsman to prepare a Bill. When the Bill was drafted the Government employed Mr. Ross, K.C., to peruse and advise on it and is indebted to him for valuable suggestions which have been incorporated in the Bill. The Crown Solicitor has also considered the Bill and expressed approval of it.

The Hon. F. T. Perry—Does this apply to all types of accidents?

The Hon. R. J. RUDALL—It does not apply to workmen's compensation, and in that regard

the law remains the same. This Bill applies to all other cases of accident where both parties are negligent and is of great importance in view of the unfortunately increasing number of accidents between motor cars in which these questions must often arise. I think it may be said that few reforms of the general law have ever commanded such wide-spread approval as this one.

I turn now to the details of the Bill. The provisions for apportionment of damages are set out in clause 4 which inserts a new section 27a in the Wrongs Act. One of the first things I desire to make clear is that the Bill will not affect workmen's compensation. The definition of the word "damages" expressly excludes such compensation from the operation of the Bill so that negligence on the part of a workman will have no effect on the amount of compensation to which he may be entitled. The word "damages," however, does include money paid as a solatium under the Wrongs Act to the parent or spouse of a person killed as a result of negligence or a wrongful act. If, therefore, the death of the deceased was due partly to his own fault, the amount of the solatium may be proportionately reduced.

Subsection (2) of the proposed section 27a makes it clear that where an employer is sued for the negligence or wrong of his servant, the principle of the Bill will apply as if the employer were personally guilty of the negligence or wrong. Subsection (3) is the core of the Bill. It provides that where a person suffers damage as a result partly of his own fault and partly of the fault of any other person, a claim in respect of that damage shall not be defeated by reason of the fault of the person suffering the damage, but the damage recoverable shall be reduced to such extent as the court thinks just and equitable having regard to the claimant's share in the responsibility for the damage.

Subsections (4) and (5) deal with a rather subtle problem which arises when damages which have to be reduced under the Bill are also subject to a statutory or contractual limit. An example will best indicate the problem. Let us assume that a carrier, under his contract with a passenger, is only liable up to £2,000 and that an accident occurs in which the passenger suffers £5,000 damages and is held responsible to the extent of 50 per cent. If the actual damages recoverable are worked out by applying the 50 per cent reduction to £5,000 and then further reducing them to the limit of the carrier's liability, the passenger

will recover £2,000. If, however, the calculation is made another possible way, the £5,000 can be reduced to £2,000 (the limit of the carrier's liability) and then the reduction of 50 per cent due to the passenger's negligence applied to the £2,000 so that the actual damages recoverable will be only £1,000. It is proposed in the Bill to declare that the first mode of calculation abovementioned is to be applied in all cases except where the amount of a solatium under the Wrongs Act is being computed. Solatium are purely statutory payments with a more or less arbitrary statutory limit and it would be inconsistent with the nature of these payments to allow the court to make an estimate as to what would be a proper amount of solatium if there were no limit. It is considered that the appropriate method is to fix first the amount of solatium, having regard to the statutory limit and assuming that the deceased had not been negligent, and then apply the reduction based on the deceased's negligence to the amount so fixed.

Subsection (6) provides that in all cases where the plaintiff has been negligent and is entitled to reduced damages only, the court shall find and record the full damages which he would have recovered if he had not been negligent. It will, therefore, always be possible to ascertain from the judges' notes the percentage of reduction which the plaintiff has suffered. Subsection (7) is a consequential provision only to the effect that the rules under which joint wrongdoers are each responsible for a share of the loss caused by them will also apply where such wrongdoers are liable for reduced damages under the Bill.

Subsection (8) makes it clear that the principle of awarding reduced damages will apply where a person died of injuries which were partly due to his own fault and an action is subsequently brought by his executors or dependants. In such cases the claim of the executors or dependants will not wholly fail (as it does under present law) if the deceased is held guilty of contributory negligence, but they will be able to recover some part of their damages.

Subsection (9) deals with cases where a person has a claim arising out of injury done to another person. For example, if a wife is injured by the negligence of another, her husband may sue the person responsible for the wife's injury for damages for the loss of her society and services. It is proposed that in such cases if the injury was contributed to by the fault of the wife or other person injured

the damages recoverable by the husband or other person suing will be proportionately reduced. It has been held by the English Courts that the English Act does not at present provide for such a reduction. But it is obviously just that such a reduction should be granted in harmony with the general principle of the Bill which is that if a person is only a partial cause of the damage, he will only be held partially liable for it. Subsection (10) provides that where a party pleads that an action for damages in a case covered by section 27a is brought after the time fixed by the relevant statute of limitations, that statute shall also operate in favour of the other party so that no damages can be recovered by the person who pleads the statute. Subsection (11) provides that if a case falling under section 27 is tried by a jury (which is still theoretically possible in this State although no civil cases have been tried with a jury for a good many years) the jury must find and record the total damages apart from any reduction, and also the extent of the reduction. The proposed section 27b provides that the new rules set out in section 27a will not apply in admiralty cases. In these cases, as I previously mentioned, apportionment of damages is already provided for in the Supreme Court Act. Section 27b also provides that the new provisions will not have retrospective effect. This completes the explanation of the proposed new rules as to apportionment of liability in cases of contributory negligence.

Clause 3 deals with a different matter, namely, contribution between two or more wrongdoers liable for the same damage. Originally, a wrongdoer who was sued for a wrong done jointly by himself and another had to pay the whole of the damages himself and could recover nothing from his fellow wrongdoer. By legislation of 1939 Parliament gave a joint wrongdoer who was held liable for damages the right to recover a share of them from any other joint wrongdoer liable for the same damages. The question has arisen several times in recent years whether insurance companies and nominal defendants who are made liable by the Road Traffic Act for damage caused by insured motorists, or unidentified drivers (commonly called "hit and run" motorists) are entitled to contribution when the damage was caused partly by the drivers whom they represent and partly by other persons. It is proposed to settle this question by declaring that they will be regarded as being wrongdoers entitled to contribution against other joint wrongdoers, to the same

extent as the insured persons, or drivers for whom they are liable. I move the second reading.

The Hon. C. R. CUDMORE secured the adjournment of the debate.

CONSTITUTION ACT AMENDMENT BILL (No. 2).

Read a third time and passed.

HOSPITALS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 999.)

The Hon. E. ANTHONY (Central No. 2).—This Bill deals with the question of hospitals being able to claim costs for treatment of motor accident victims, and provides a number of useful reforms. At present all such cases are dealt with under two Acts—Part VI. of the Hospitals Act and Part 70h of the Road Traffic Act. A deal of confusion can arise in the allocation of damages or the question of costs for treatment when both Acts have to be consulted. The Hospitals Act makes it obligatory upon an insurer to notify the Hospitals Department when an accident occurs, but the Road Traffic Act makes no such provision. Consequently, at the moment, it is a loose law, and this Bill will bring the whole matter under Part VI. of the Hospitals Act. The Bill provides an increase in the charges a hospital may make for treating an accident victim. The present amounts of £5 for an outpatient and £25 for an inpatient are increased to £25 and £100 respectively. With the decrease in the value of money the present charges are altogether inadequate. The Bill makes it obligatory for an insurer to notify a hospital of an accident and for the hospital to serve a notice containing the charges the hospital is making to the insurer within two months to an insurer or to any other interested party.

The Hon. F. T. Perry—What if the victim is not insured?

The Hon. E. ANTHONY—He must be insured under the provisions of the Road Traffic Act. At present insurance companies have difficulty in locating people, as victims are taken to hospitals and their location is unknown. Penalties are provided for non-compliance with the provisions and generally speaking it is a good Bill which deserves the support of members. Whilst it does not deal with the cause of accidents, every opportunity should be taken of publicly ventilating the terrific toll of life as a result of road

accidents. The press, radio, and National Safety Council are spending money and doing excellent work in endeavouring to educate the public as to the seriousness of road accidents.

The Hon. Sir Wallace Sandford—Whose money are they spending?

The Hon. E. ANTHONY—The National Safety Council is subsidized by the Government but some portion of its funds come from the taxpayers' pockets. Last year 197 people were killed in South Australia as compared with 170 in the previous year. Nineteen hundred Australians were killed and 36,000 injured last year and since the war 150,000 have either lost their lives or been injured as a result of road accidents. One should not miss an opportunity of making these facts publicly known. I support the second reading.

The Hon. Sir WALLACE SANDFORD (Central No. 2)—As was explained by the Minister in his speech the Bill, among other things, seeks to increase the amounts payable by insurance companies for the treatment of persons injured in road accidents. I listened with great interest to the figures submitted by the Leader of the Opposition, and, as Mr. Edmonds said, we can congratulate him on the way he dealt with the costs of hospitals. The change provided in the Bill will be a definite improvement and should substantially increase the amounts collected by hospitals. Insurance companies will pay up to £100 towards the expenses of in-patients and up to £25 towards those of out-patients. These amounts will be paid direct to the hospital rendering the service instead of to the injured party. In that regard the Bill is a definite improvement on the present law. I am sure the insurance companies will willingly and ungrudgingly assist the hospitals. I was unable to follow the Leader of the Opposition when he said he would ask honourable members to forget about the insurance companies in this matter. We all know that Mr. Condon would be one of the last to withhold credit where it was due. Undoubtedly the services rendered by insurance companies to the community are of great value. Certainly they are paid for what they do, but is not that general with all business activities? No business will last that is not rendering not only a service but a required service to the community, and insurance companies are no exception to that rule. Under section 70d (3) of the Road Traffic Act hospitals already enjoy a protection for which the public is the gainer, and they are under a real obligation to the insurance companies. When a person is injured

by an unknown motorist the insurance companies collectively must pay damages to the injured party.

The Hon. F. T. Perry—How do they collect it?

The Hon. Sir WALLACE SANDFORD—They don't. It has to come out of such revenue as may be left after the policies the companies have issued have been liquidated. The injured person may not have obtained the car number of the hit-and-run motorist and does not know who was responsible, but nevertheless the insurance companies have to pay for the accident. This is just one example of the services rendered by such companies. Members will recollect that during last session Parliament was discussing voluntary fire fighters, who are deserving of great credit. Insurance companies have paid and are still paying considerable sums towards those who have been overtaken by the misfortunes of fires.

The Hon. N. L. Jude—You must admit that fire fighters have saved insurance companies thousands of pounds.

The Hon. Sir WALLACE SANDFORD—That is certainly true, and that has not been overlooked in the collections from insurance companies for ordinary fire insurance under which the companies pay nearly all the cost of maintaining the fire brigades of the city and suburbs.

The Hon. K. E. J. Bardolph—If the fire fighters were not there the insurance companies would have to pay out very big amounts.

The Hon. Sir WALLACE SANDFORD—Yes, and if policemen were not present companies who insure against theft and robbery would also have to pay more. Is there to be no limit to the liabilities of insurance companies? They have to pay about two-thirds of the total cost of maintaining our fire brigades. According to authoritative reports, last year the amount collected from insurance companies towards the cost of fire brigade services was over £100,000. A company's charge for stamp duty amounts to 25s. for each £100 cover. I mention these because sometimes there is misunderstanding as to how far the liability is carried by the company. The passing of this Bill will certainly mean an increase in expenses, but it should have the effect of securing for hospitals an increased share of their charges. There is no doubt as to the splendid services rendered by hospitals to accident victims at all times of the day and night. They are prepared at all times to treat the injured from both major and minor accidents. The staffs

are on duty 24 hours of the day. It is presumed from the information given in the Minister's speech that £25,000 a year may be the income under this heading. When Mr. Edmonds was speaking he suggested that was the estimated amount Government hospitals would collect in addition to that paid to private hospitals. I am not suggesting that his deduction was not sound, but it seemed that was the amount estimated all hospitals would get.

The Hon. F. T. Perry—Would not they have collected something in the past?

The Hon. Sir WALLACE SANDFORD—If they could get it. That is one of the reasons for the Bill being introduced. As Mr. Edmonds said, a man who is unconscious as the result of an accident cannot give the name of the driver who caused it, and after the hospital has treated him the victim may just put on his hat and leave without paying. This Bill will improve that position. I was rather surprised that the sum expected to be paid amounted to £25,000, which is equal to £500 a week and nearly £100 a day. Although we have a big number of accidents, I doubt whether that amount would be reached. The Bill is certainly a move in the right direction, and I therefore have pleasure in supporting it.

The Hon. R. J. RUDALL (Midland—Attorney-General)—I thank members for the attention they have given to the Bill and I wish particularly at this stage—I regret I omitted to do so earlier—to welcome Mr. Bevan to this Council. We congratulate him upon his election and I assure him that all of us will be both anxious and willing to help him in every way we can. He is succeeding a man who won the affection and respect of every member of this Council and if he has the good fortune to approach anything near that affection and respect he will be a most happy man. I hope Mr. Bevan will have a most pleasant time during his stay in the House.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Re-enactment of Part VI. of Hospitals Act."

The Hon. R. J. RUDALL (Attorney-General)—I move the following drafting amendments:—

To delete in paragraph (c) of subsection 1 of new section 53 "owing to" and insert "of the claim of."

To delete in paragraph (b) of subsection (3) of new section 53 "to the owner or driver" and after "insurance" insert "whether to the

owner or driver or in pursuance of subsection (2) of section 70d of the Road Traffic Act, 1934-1950."

To delete in subsection 5 of new section 53 "owing to" and insert "of the claim of."

To delete in subsection 3 of new section 54 "owing to" and insert "of the claim of."

Amendments carried; clause as amended passed.

Remaining clause (4) and title passed, and Committee's report adopted.

COURSING RESTRICTION ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

APPROPRIATION BILL (No. 2).

Received from the House of Assembly and read a first time.

Second reading.

The Hon. R. J. RUDALL (Midland—Attorney-General)—Before proceeding with the explanations of the Bill I will follow the usual custom of the last few years and give members some information of the State's accounts for the year ended June 30, 1951. Expenditure amounted to £33,442,000 and revenue to £33,672,000, resulting in a surplus of £230,000. Revenue was £4,312,000 higher than in 1949-50. This was mainly due to the following—State taxation increased by £757,000. The main increases were in succession duties, stamp duties, motor and racing taxation. Earnings from public utilities were £586,000 higher. Most of the increase came from the railways (£336,000), harbors (£110,000), and water supplies and sewerage (£101,000). Recoveries of interest and sinking fund increased by £356,000. Grants from the Commonwealth Government in aid of the State's revenue increased by £2,370,000. Expenditure was £3,892,000 higher than in 1949-50. This was mainly accounted for in the following increases:—

	£
Interest on bonds, bills and stock	192,000
Motor taxation transferred to the Highways Fund	115,000
Hospitals Department	327,000
Grants to subsidized hospitals and other institutions	141,000
Police, Gaols and Prisons Departments	146,000
Education Department	576,000
Grants to the University, School of Mines, and educational expenditure	194,000
Mines Department	247,000
Railways Department	1,361,000
Engineering and Water Supply Department	202,000
Harbors Board	170,000

The Public Debt.—The public debt (stock, bills and debentures) of the State as at June 30, 1949, 1950, and 1951, and the increase from year to year were:—

	£	Increase. £
1949	124,720,000	5,868,000
1950	133,175,000	8,455,000
1951	148,388,000	15,213,000

The increase of £15,213,000 in the debt during 1950-51 is a net figure and is made up as follows:—

	£
Borrowings (new money)	16,584,000
Less face value of securities redeemed and purchased by the National Debt Commission on behalf of the State	1,371,000

Net increase in public debt during 1950-51 15,213,000

New borrowings for the year were obtained from the following sources:—

	£
(1) Raised by the Commonwealth Government on behalf of the State pursuant to the Financial Agreement	16,061,000
(2) Borrowed by the State from the Savings Bank of South Australia pursuant to the Financial Agreement	500,000
(3) Investment of reserves by the South Australian Housing Trust	14,000
(4) Investment by the Parliamentary Superannuation Fund Trustees	9,000
	<u>£16,584,000</u>

In accordance with the provisions of the Financial Agreement Commonwealth securities were issued for new moneys raised.

In addition to the borrowings under the heading of public debt the Treasurer also has, at his disposal, trust funds borrowed pursuant to the Public Finance Act, and temporary deposits by contractors as security for fulfilment of their contracts, and deposits by public and charitable bodies. At June 30, 1951, these amounted to—

	£
Trust Funds	6,184,000
Temporary Deposits	758,000

The principal moneys held in trust funds are the operating funds of the Electricity Trust, Leigh Creek Coalfield, South Australian Housing Trust, and a number of superannuation funds and funds of charitable and patriotic bodies. Against the amounts so borrowed the Treasurer's cash resources at June 30, 1951, amounted to £11,577,000. To provide for the development of primary industries, and to meet the demand for water, coal, electricity, trans-

port and housing, it has been necessary to substantially increase the public debt during the year.

National Debt Sinking Fund.—Under the provisions of the Financial Agreement contributions are made annually by the Commonwealth and State Governments to the National Debt Sinking Fund. These contributions are used for the purchase and redemption of Commonwealth stock, bonds, and debentures. The moneys paid to and earned by the Commission on behalf of this State during 1950-51 amounted to £1,456,000, made up as follows:—

	£
Contributions by Commonwealth	276,000
Contributions by State	1,176,000
Interest earned by the fund	4,000

On June 30, 1950, the Commission held on behalf of the State £55,000 which, added to the income, made a total of £1,511,000 available to the Commission for use on behalf of the State pursuant to the National Debt Commission Act. During the year the Commission purchased and redeemed securities with a face value of £1,371,000 at a cost of £1,455,000, leaving a balance of moneys in the hands of the Commission at June 30, 1951, of £56,000.

Revenue and Expenditure, 1951-52.—The Treasurer has framed the Budget to achieve an estimated surplus of £15,000 at June 30, 1952. Expenditure has been estimated at £42,293,000 and revenue (including surplus of £230,000 from last year) at £42,308,000. Expenditure this year is expected to exceed last year's total by £6,400,000, excluding Treasury transfers to the railways in both years. To meet this extra expenditure a substantial increase in revenue will result from the upward trend in values from which State taxation benefits. In addition, the betting tax, introduced last November, will operate for a full year and will yield £237,000 more than last year. Following heavy rises in working expenses of public utilities, revenues from these undertakings are to be increased. City and metropolitan assessments, on which water and sewer charges are calculated, have been raised. The increased revenue from this source is estimated at £340,000. In addition, the Government has decided on a review of railway freights and fares which is expected to return an increased revenue this year amounting to £600,000. The Government did not consider under present circumstances that railway charges could be raised to the extent required to cover all increases in operating expenses. Our railways are not a business undertaking in the true sense of the word; they are, and will continue

to be, an undertaking for service to the general public and development of the State, and the full benefit they confer on the State is not to be measured by the railways cash receipts alone. The Government considers that in any review of railway charges due regard must be paid to the fact that it is here that great assistance can be given to rural development. Some increase in railway charges is nevertheless necessary, not only because of the increased cost of running the railways but also because the general level of charges in other States has been raised so that they now exceed our charges. The increases to be made will operate from January 16 next. They will be kept to a minimum consistent with the level of charges in the other States and with the needs of the Budget. A summary of the main heads of estimated revenue for the year is:—

	£	£
Taxation—		
Land tax	396,000	
Stamp duties	1,050,000	
Succession duties	1,200,000	
Motor taxation	1,500,000	
Betting Control		
Board	520,000	
Hospital rating	43,700	
Licensing Court	45,000	
Transport Control		
Board	120,000	
Other miscellaneous taxation	45,275	
		4,919,975
Public Works and Services and Other Receipts—		
Education	196,451	
Harbors Board	1,300,300	
Railways (including Treasury transfers £5,050,000)	14,200,000	
Waterworks and sewers	1,800,425	
Irrigation receipts	203,950	
Hospitals Department	459,475	
Interest and sinking fund receipts	1,770,766	
Other miscellaneous receipts	1,454,194	
		21,385,561
Territorial—		
Land sales	51,000	
Crown lands rents, Licences, etc.	186,119	
Rents, mining leases, licences, etc., Royalties on minerals	69,000	
Miscellaneous receipts	5,000	
		311,119
Commonwealth grants	15,461,816	
Revenue Surplus, 1950-51, brought forward	229,529	
		311,119
Total revenue available for year, including Treasury transfers to railways of £5,050,000		£42,308,000

This compares with a total revenue for last year of £33,672,000, which included Treasury transfers to the railways of £2,600,000.

Expenditure.—As I previously stated the expenditure for 1951-52 is estimated at £42,293,000. This figure includes the Treasury transfers to the railways to which I have already referred; excluding these transfers this year's expenditure is £6,400,000 greater than last year. Provision was made in the estimated expenditure for the 13s. cost of living increase which was payable from August 1, 1951. When the estimates were framed this was the only cost of living adjustment known for the year, therefore no exact amount could be included to meet further increases. To ensure that the Budget gave a fairly reliable indication of the likely financial position of the State at the end of the year £700,000 has been estimated and spread over the various departments to meet the cost of living adjustments for the remainder of the year. Should this amount prove to be insufficient further appropriation will be available to the Treasurer as it is usual for Parliament to authorize the payment of increases of salaries and wages which are the result of orders made by wage fixing tribunals. Such provision is made in this Bill.

I now propose to comment on the main provisions for expenditure and the increases over actual expenditure for similar items last year. Before dealing with the details I desire to point out that this Bill does not provide for the total expenditure to which I have referred earlier. It appropriates expenditure totalling £34,220,824, whereas the total expenditure estimated is £42,293,000. The remainder (£8,072,176) has already been appropriated by Parliament from time to time in various Acts. Some of these are:—

Salaries of His Excellency the Governor, Ministers of the Crown, Judges of the Supreme Court, Members of this Parliament, public servants whose salaries are fixed by Parliament, grants to the University, the Fire Brigades Board, superannuation provision for public servants and Members of Parliament, interest on public debt, the State's contribution to the National Debt Sinking Fund, and other sundry items.

The main items and increases dealt with in the Bill are:—

Police Department, £1,050,457, an increase of £200,759. Salaries and wages are estimated at £758,910, an increase of £156,149. The balance of the increase—£44,610—concerns travelling expenses, office equipment, telephones,

purchase of motor vehicles, subsidy to the police pensions fund, purchase of radio equipment, payroll tax, and other miscellaneous items.

Hospitals Department, £2,361,975, an increase of £529,453. £389,730 of this increase is in salaries and wages, some of which has been allowed for additional staff. The remainder of the increase—£139,723—is required to cover increased prices of food, drugs, medicines, and equipment required during the year by Government hospitals.

Children's Welfare and Public Relief Department, £381,493, an increase of £77,674 over 1950-51. This increased amount is required to carry on the existing institutions and services.

Chief Secretary—Miscellaneous, £659,624, an increase over 1950-51 of £76,771. This provision covers grants and subsidies to subsidized hospitals, health organizations, and sundry institutions. Provision is also made for expenditure to provide concessions, such as rail fares for blind and incapacitated ex-servicemen, and also for ex-servicemen who are suffering from certain disabilities. Provision is made for payments to many hospitals, institutions, and for other purposes, but I only propose to mention the major ones, which are as follows:—

	£
Adelaide Children's Hospital	111,000
Home for Incurables	18,000
Institute of Medical and Veterinary Science	50,000
Mothers' and Babies' Health Association	32,550
Queen Victoria Maternity Hospital	36,000
Whyalla Hospital	6,500
District and Bush Nursing Society	7,500
Kalyra Sanatorium	61,650
Gawler (Hutchinson) Hospital	6,100
Burra Hospital	3,924
Hawker (Great Northern War Memorial) Hospital	2,200
Jamestown Hospital	2,080
Kapunda Hospital	2,480
Murray Bridge Hospital	4,228
Naracoorte Hospital	3,953
Orroroo Hospital	2,290
Peterborough Hospital	3,970
Renmark Hospital	9,745
Streaky Bay Hospital	3,427
Cummins—towards new hospital	10,000
Kangaroo Island General Hospital	4,445
Mount Barker Hospital	12,083
Ambulance services	10,000
Poliomyelitis research	5,981
Poliomyelitis epidemic—ambulance fees, rail fares, etc.	2,500
Royal Institution for the Blind	7,500
S.A. Institution for Blind, Deaf, and Dumb	3,000
Rail fares for blind persons	4,000
National Theatre	2,600
S.A. Symphony Orchestra	5,000

	£
Rail fares of blind and incapacitated soldiers, etc.	32,000
Rail fares of returned soldiers, etc., on Anzac Day	4,000
Government exhibit, Royal Adelaide Exhibition	11,000
Expenses in connection with Royal visit	20,000

Publicity and Tourist Bureau, £141,903, an increase of £44,202 over last year. £17,932 of this will be required to meet higher salary and wage rates. £2,800 has been provided for sanitary conveniences, etc., and electricity at Brownhill Creek Recreation Area. The old fort at Glanville has been taken over by the State from the Commonwealth; £2,000 has been allowed for renovation of the buildings and installation of sanitary conveniences. It is proposed to erect a prefabricated house, shed, and stairway at Kelly's Hill Caves and to further develop them. £3,900 has been provided for this purpose. £2,150 will be expended on the installation of lighting and other improvements at Naracoorte Caves. The Government is purchasing "The Gums," a fine property at Tranmere, for tourist purposes, and £6,750 will be required this year. £14,000 has been provided for advertising the State. In continuation of the policy instituted by the Government a few years ago £7,000 has been provided for subsidies to municipal authorities for development of tourist resorts.

Treasurer—Miscellaneous, £5,316,834. The main items provided for are:—

	£
Expenses of management in connection with inscription of Commonwealth stock	29,300
Interest on trust funds and temporary deposits	75,000
Transfer to railway revenue	5,050,000
Administration of temporary housing scheme	23,650
Transfer duty on inscribed stock	20,000
Subsidy on Leigh Creek coal	60,000

I propose to give members an explanation of two of the above items; the others occur each year and are self explanatory. Those with which I propose to deal are—transfer to railway revenue; £5,050,000; and subsidy on Leigh Creek coal, £60,000. The total cost of running the railways this year is expected to exceed income by £5,200,000. I have already pointed out that the value of the railways to the State cannot be assessed by the amount of revenue collected. It has, however, been the practice in most of the railways of Australia for the Government to relieve the railway accounts of some of the capital cost. This has not been

done in this State, but an assessment is made each year by the Treasurer of the amount required to place the railway finances in a position where the difference between income and expenditure is reduced to manageable proportions. In connection with Leigh Creek coal, the subsidy last year amounted to £200,000. This year, due to lower working costs of Leigh Creek coal, higher output from the field and a sale price based on the heating value compared with the heating value of Newcastle coal, it is expected that the subsidy will not exceed £60,000 and may even be very much less than this amount.

Engineering and Water Supply Department, £1,406,956, an increase of £294,365 over the expenditure for last year. £200,714 is required for increases in salaries and wages for water supplies and Adelaide sewers. The balance of the increase—£93,651—is provided to offset increased cost of materials and other supplies used by the department in its activities.

Public Works, £525,213, an increase of £93,828 over the expenditure for 1950-51. Under this heading provision is made for maintenance of education buildings and grounds, hospital buildings and grounds, police and courthouse buildings, and other government buildings. Provision is also made for sundry furniture and equipment for Government departments. This part of the activity is run by the Architect-in-Chief. A further part is under the control of the Engineer-in-Chief and includes preliminary surveys and investigations in connection with sundry works (£10,000), which is £8,271 higher than the amount spent last year, and preliminary surveys for water supplies and irrigation schemes (£13,000), an increase of £4,814 over 1950-51 expenditure.

Education Department, £3,690,235, an increase of £743,602. £596,770 of this increase is required to pay salaries and wages in excess of the amount paid last year, due in part to increased wage rates but also to additions in staff required to cope with the rapidly increasing number of pupils attending Education Department schools. The number of children enrolled in schools controlled by the Education Department at August 1, 1951, was 93,122, and it is estimated that in twelve months' time this number will have increased by approximately 7,000 pupils. The department is hard put to find the teachers and the accommodation necessary to keep up with the greatly increased enrolments. In addition to salaries and wages large amounts are required for other expenses in connection with the different grades of schools administered by the

Education Department. The estimated cost of cleaning and maintenance, living allowances of teachers, conveyance allowances, boarding and book allowances for students, rents, school committees—allowances for repairs and subsidies for approved work—equipment, etc., for primary, higher primary, and area schools is estimated to cost £135,545 for the year. This is £15,148 higher than last year's expenditure. The same class of expenditure for boys' and girls' technical schools is £2,193 higher than last year and is estimated this year to cost £26,620; whilst for country technical schools this year's estimated expenditure of £31,870 is greater by £1,799 than the actual expenditure in this connection during 1950-51. Technical Education of Apprentices—maintenance, reimbursement of fares, conveyance of apprentices, rent, equipment, water and sewer rates, furniture, lighting, and sundries, is estimated at £29,035 for this financial year, compared with £12,398 last year, indicating an increase over last year's expenditure of £16,637. Expenses in connection with the maintenance of high schools, estimated at £71,390, shows an increase of £7,059 over last year.

Outside the metropolitan area the department has made arrangements to convey pupils to school, and the cost of running the necessary buses is estimated for the year at £207,125, which is £53,005 higher than last year's expenditure. Conveyance, boarding and book allowances for students attending private schools is estimated to cost £23,800, and the freight, etc., on books and school material, £3,650. The cost of scholarships awarded by the department this year will approximate £22,000. The sum of £2,500 has been provided for the purchase of furnishings and equipment, and the extension of the dining-room annexe, for the S.P.F. Hostel for girls.

The department is in need of further buses for conveying pupils to the various area schools and £25,000 has been provided for this purpose. The sum of £5,000 has also been provided for the purchase of typewriters for training of pupils at various schools.

Minister of Education—Miscellaneous, £452,797, an increase of £109,549. In this Bill provision is made for grants to the University totalling £255,000, in addition to which £44,000 is provided for the University under previous special appropriations, making the total grants to the University this year £299,000. Of this amount £90,798 will be paid to the State by the Commonwealth under an arrangement entered into for three years and operating from January 1 last. In addition

to these grants the Commonwealth has also made available to the State for the University an amount to be used as a grant to residential colleges—this is also provided for in this Bill and amounts to £4,643. The School of Mines and Industries will receive a grant of £115,000; the grant to the Kindergarten Union of South Australia has been increased by £14,619 to a total of £54,504; and £3,500 has been provided for a grant to the National Fitness Council of South Australia. Next year, during the Royal visit, it is proposed to have a children's demonstration and £1,250 has been included in the Bill for this purpose.

Mines Department, £820,000, an increase of £342,272 over the expenditure for last year. Honourable members are aware that investigation and developmental work has been going on at Radium Hill on uranium deposits. The Premier recently visited the United States of America in connection with this project and as a result of that visit it is evident that the State has valuable mineral deposits at Radium Hill. It is necessary that further investigations and developmental work be carried out, and to do this expensive plant and more labour is required. Most of the increase in the expenditure in the Mines Department will be used in connection with the Radium Hill undertaking.

Harbors Board, £1,040,071, an increase of £325,351, of which £184,485 is required to pay increased salaries and wages. The balance of the increase—£140,866—will be absorbed in purchase of materials for maintenance of wharves, jetties, etc., and for "off-charter" repairs to colliers. The expenditure on such materials is estimated to be considerably greater this year than last year as the Government is desirous of facilitating repairs to wharves, etc., where necessary, to assist with the quicker turn-round of ships.

Railways, £12,683,248, an increase of £3,068,486 over last year's expenditure. The main increases are:—

	£
Salaries and wages	2,030,778
Payroll tax	45,760
Fuel	395,075
Other operating materials and services	184,002
Materials, etc., in connection with track maintenance and deferred maintenance of South-East lines	347,868

I have commented on the main items of revenue and expenditure. Practically all lines in the Bill are higher than was provided for corresponding services last year. The increases in those lines which I have not commented

upon are nearly all due to increases in salaries and wages and higher costs of materials, equipment, etc., required for the efficient functioning of the various departments.

Turning to the various clauses of the Bill now before the House, clause 2 provides for for the further issue of £23,720,824. The remainder of the amount required to finance the various departments set out in the Bill is £10,500,000, which amount was appropriated by Parliament in Supply Acts Nos. 1 and 2 of 1951. Clause 3 (1) makes provision for the appropriation of the amount of £34,220,824 and sets out the various departments and projects on which the amount is estimated to be expended for the year. Subclause (2) of this clause provides that, to the extent to which increases in salaries and wages are not provided for on the Estimates, if they become payable by the State pursuant to an order made by any wage fixing tribunal, the Governor may appropriate the amount required to pay the increases out of the general revenue of the State. The amount of money which is required to pay the increases not provided for in the Estimates shall be added to the total of the Governor's Appropriation Fund.

Clause 5 gives power to issue money from the Loan Fund or other public funds held by the Treasurer to make good any revenue deficiency. Clause 6 provides for the payment out of the appropriations made in this Bill in respect of a period prior to July 1, 1951, or at a rate in excess of that set down by the Public Service Board of the Railways Commissioner. Clause 7 provides for payments appropriated by this Bill to be in addition to any amounts which may have been appropriated by other Acts. So that honourable members could be informed on the estimated revenue and expenditure for the year I have endeavoured to give some details of the Government's proposals. I commend the Bill for favourable consideration of members and move the second reading.

The Hon. F. J. CONDON secured the adjournment of the debate.

BUILDING MATERIALS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 1001.)

The Hon. F. T. PERRY (Central No. 2)—Members must regret that from year to year this and similar legislation is introduced for re-enactment. It is true that slight amendments have been made and easements have

been provided from time to time. Since the war, when these Acts were introduced, the progress made has not been as great as anticipated. We have adopted a policy of controlling prices and distribution with the inevitable unfortunate result of no increase in production. One of the main items in building construction is bricks. In our building policy we adopt, in the main, brick construction for homes. Architects and householders regard bricks as being the best form of walling for our conditions. It is durable and we have no suitable woods.

The Hon. A. J. Melrose—We have plenty of stone.

The Hon. F. T. PERRY—Yes, but it depends upon where the stone is situated and its cost of production. The clay brick is generally recognized as the best form of walling for domestic homes. In spite of all attempts by the Government and industry to increase brick supplies, the brick industry has been unable to meet the State's demands. The Government has assisted four or five plants in an endeavour to increase the production of bricks, but has not been successful and some different form of action should be taken. The brick-maker is controlled in the price he can charge for bricks, the price of firewood he purchases, and in the wages he pays. Consequently there is not much left over which he has any freedom of judgment or action.

The Hon. E. H. Edmonds—Doesn't his price of production determine the price at which he sells?

The Hon. F. T. PERRY—It does, but because of the price at which he manufactures his profit is so small in comparison with other industries that he is unable to compete in the payment of wages and in procuring supplies of firewood. Firewood is used as an agent for burning bricks, and at present the prices are 40s. a ton for green wood and 50s. for dry wood. Unfortunately brickyards are not able to obtain sufficient supplies to enable continuity of production. Some brickyards have kilns full of bricks, but are unable to burn them, and other yards have only three weeks' supply of wood available. I do not know whether it is desirable to increase the price of bricks, but if bricks are not used, concrete or something similar has to be used. Concrete bricks made from imported cement cost £18 or £19 a thousand as against £11 or £12 for clay bricks. The more clay bricks that are made the less the cost ultimately to the community and the house builder generally. Some

different approach must be made regarding the brick industry, either by granting an incentive to the manufacturer, or by paying a higher wage to the operatives. I understand that a large number of new Australians will shortly be leaving the brick industry for other fields after having completed their term of two years. That is certainly a bad thing for the industry. I admit that brickmaking is not easy work, therefore some different approach will have to be made to the subject. Something must be done to free brickmakers from a fixed minimum price, which in some cases is payable but in others allows the brickyards either to just balance the budget or make a very small profit.

The Hon. E. H. Edmonds—What about mechanization?

The Hon. F. T. PERRY—The difficulty there is that a brickyard must be designed for mechanization right from the start, and unfortunately there does not appear in South Australia at the moment anyone with courage enough to take up the manufacture of bricks on the scale to warrant a mechanized plant. If brickmakers' receipts over a period of years were examined it would be shown that the profit received was not sufficient to encourage them. It has been suggested in Parliament that the Government should establish a brickyard, but that is not the first source that should be tried. The public have regarded brickmaking with great suspicion and brickmakers have suffered unjust criticism because they could not supply all requirements. If we are to increase the number of bricks, which make the best walling for Adelaide and its environments, there must be some different approach in the control of prices. It is not suggested that the price of all bricks should be increased but even if so the quantity produced is more important than an increased price of a few shillings a thousand. I regard the housing of the people as one of the most important functions facing the Government, but am afraid that under our present system we are decreasing rather than increasing the output of bricks.

The Hon. K. E. J. Bardolph—Large brick manufacturers are not clamouring for increased prices, but for the fuel to burn the bricks.

The Hon. F. T. PERRY—That is so. They cannot get wood which is the usual medium for burning, and the price of coal is continually increasing, and suitable coal is not available for dome kilns. The price fixed by the Prices Commissioner is 40s. a ton for green

wood and 50s. for dry wood. The prices are arrived at on his judgment on the facts produced. Although the price of 40s. may, in his judgment be right, nevertheless brickmakers cannot get sufficient supplies. I therefore suggest that the approach by the authorities should be a little more lenient and that an incentive price should be fixed for wood. Although numerous essential lines required in our economy are in short supply, many luxury lines are easily available. Industries producing building materials should receive some latitude to enable them to compete with those producing lines which are not so necessary for the community. Last year I endeavoured to get struck out of the Bill reference to the price of a house built outside the permit limit with materials a home builder could obtain himself. I was not successful, and do not intend to take the matter further. Many of those seeking to build a house have to hope for the best in regard to the price and I therefore feel there has been no real attempt to control or police that feature. Although from year to year the Government increases the amount permissible in the building of a home, the fact that the amount is included in the legislation does not make it necessarily effective. Mr. Rowe referred to the erection of country homes and his suggestions appeal to me. To limit a country home to a smaller area than the occupier requires is a mistake, and if the honourable member moves in the matter I will support him. There should be some modification in the present system and I hope my suggestions will bear some fruit. Building materials are in too short a supply to meet essential needs and relaxation of controls in specified cases would do some good. I support the second reading.

The Hon. F. J. CONDON secured the adjournment of the debate.

EXCHANGE OF LAND: TOWN OF ALFORD.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:—

That it is desirable for the Minister of Education to make available and transfer the fee simple of allotments 11, 12, 13, 14, 35, and 36, town of Alford, containing $1\frac{1}{2}$ acres to Mr.

A. B. Johns and for him on his part to make available and transfer to the Minister of Education the fee simple of allotments 9, 10, 15, 16, town of Alford, containing one (1) acre as shown on plan laid before Parliament on September 18, 1951.

EXCHANGE OF LAND: TOWN OF MANNAHILL.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:—

That it is desirable for the Crown to transfer the fee simple of allotments 44 and 45, town of Mannahill, containing half an acre to Mrs. C. Davis and for her on her part to transfer to the Crown the fee simple of allotments 13 and 14, town of Mannahill, containing half an acre as shown on plan laid before Parliament on August 21, 1951.

EXCHANGE OF LAND: HUNDRED OF KENNION.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:—

That it is desirable for the Woods and Forests Department to make available and transfer to Mr. K. J. Stuckey the fee simple of sections 212 and 215, hundred of Kennion, portion of forest reserve containing $812\frac{1}{2}$ acres and for him on his part to surrender to the Crown perpetual lease 4133 and part perpetual lease 12497, sections 25, 39, and 59, hundred of Kennion, containing 1,853 acres as shown on plan laid before Parliament on June 27, 1951.

EXCHANGE OF LAND: HUNDRED OF HALL.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:—

That it is desirable for the purpose of re-locating a section of the Port Wakefield-Saddleworth main road that the Crown transfer the fee simple of section 636, hundred of Hall (formerly school reserve Crown lands and closed road) containing $9\frac{1}{2}$ acres to Mr. W. P. McPharlin, and for him on his part to transfer to the Crown the fee simple of portion of section 364, hundred of Hall, containing approximately $3\frac{1}{2}$ acres as shown on plan laid before Parliament on October 31, 1950.

ADJOURNMENT.

At 3.34 p.m. the Council adjourned until Wednesday, November 7, at 2 p.m.