

LEGISLATIVE COUNCIL.

Thursday, August 21, 1952.

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

QUESTION.**EXPORT OF SHEEP.**

The Hon. W. W. ROBINSON—I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. W. W. ROBINSON—Most members will have noticed a press report that our sheep numbers have reached 11,400,000. The trade expects that there will be a great influx of sheep to markets this year, and quite a number for export. There is a great shortage of meat in Great Britain because of certain regulations regarding *caseous-lymphadenitis*, known as C.L.O. or lumpy gland, which bars the entry of these sheep into Britain. They are dealt with by the trade here without any serious objection, but because of the restrictions a percentage of our sheep is rejected by Great Britain, which militates against a reasonable price being obtained. Will the Attorney General request the Minister of Agriculture to ask the Commonwealth Minister for Commerce (Mr. McEwen) to take up with the British Ministry of Food the relaxation of these regulations so as to facilitate the marketing of vast numbers of our wethers and ewes?

The Hon. R. J. RUDALL—I will refer the matter to the Minister of Agriculture and obtain a report from him.

**MINISTER OF AGRICULTURE
INCORPORATION BILL.**

Second reading.

The Hon. R. J. RUDALL (Attorney-General)
—I move—

That this Bill be now read a second time. The object of the Bill is to confer upon the Minister of Agriculture the legal status of a body corporate. The Bill is in the same language as the Act by which the Minister of Lands was incorporated in 1947. The immediate need for the Bill arises from the fact that the Minister of Agriculture wishes to obtain land at Loxton for use as a horticultural and viticultural research station. The more general purpose of the Bill, like that of other Bills incorporating Ministers, is to provide a

more convenient method by which the Minister may hold and deal with any lands. If a Minister is not an incorporated body he can only hold land in his individual name; and whenever he ceases to hold the Ministerial office by virtue of which he owns any land, or interest in land, the title must be transferred into the name of his successor. If a Minister holds any appreciable amount of land in his public capacity, as some do, this involves a great deal of work. If, however, a Minister is incorporated he can hold the land in his corporate name; and, as a corporation is deemed to continue to exist notwithstanding any change in the person constituting it, the necessity of transferring the land on each change of office will cease. The only effect of this Bill, therefore, will be to simplify the holding or transfer of land by the Minister of Agriculture. It will not otherwise affect his powers. I think members will appreciate that it is most advantageous for the procedure to be followed and I commend the Bill to them.

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

STAMP DUTIES ACT AMENDMENT BILL.

Second reading.

The Hon. R. J. RUDALL (Attorney-General)
—I move—

That this Bill be now read a second time. The Bill has two separate objects. The first is to enable the Government to pay commission to banks on stamp duty paid by them in respect of cheque forms. The explanation of the circumstances which have led to this part of the Bill is as follows:—Before the Stamp Duties Act Amendment Act, 1950, was passed it had been the practice of the banks to take the cheque books intended for issue to their customers to the Commissioner of Stamps where each cheque form in each book was separately stamped with an impressed stamp denoting a duty of 1½d. The banks paid the commissioner for the impressions and the transaction was regarded as a purchase by the bank of stamps from him. Under the Stamp Duties Act and the regulations the banks, as appointed distributors of stamps, were entitled to a commission of 1¼ per cent of the value of the stamps so purchased.

In 1950 a new system was introduced under which the banks ceased to present the cheque books to the Commissioner of Stamps for impressing. In lieu of this, the banks themselves printed the words "stamp duty paid" on the cheques and paid the Commissioner of

Stamps the amount of duty as cheque books were issued by the bank from its bulk store. Under these arrangements there was nothing that could be called a sale of stamps to or purchase of stamps by the bank. There was, in fact, no stamp at all, either impressed or adhesive, but merely a printed acknowledgement that the cheque was duty paid. In the circumstances the banks ceased to be entitled to any commission on stamps purchased by them from the commissioner.

This was a necessary consequence of the new scheme, but the banks say that they did not expect to lose their commission. Likewise some of the Government officers concerned with the arrangements did not foresee any such consequence, although others did. The banks have now asked that they should receive commission on the amount of the duty paid by them in respect of printed cheque forms. The Government is of opinion that the claim has merit. Although the banks no longer purchase stamps for sale to their customers, they do collect revenue for the Government in the form of the stamp duty which they obtain from their customers and, in addition, save the Government the expense of having to print or impress 1½d. stamps for use on cheques. The Government, therefore, is willing to grant the request of the banks for the commission to continue and to make it retrospective to the time when the new scheme for printing cheques became operative. Clause 3 carries this decision of the Government into effect.

The second object of the Bill is to enable men who have served or are still serving with the armed forces in Korea or Malaya, or their widows, to claim exemption from stamp duties on certain transfers of land. The transfers concerned are those where the person claiming exemption purchases for his or her occupation a dwellinghouse, or land on which a dwelling is to be built. The position at present is that these people are unable to claim under the existing exemption, although persons who served in the forces during the second World War, and their widows, are entitled to do so. The Government considers that those serving in Korea and Malaya have equally good claims to these exemptions and accordingly desires to amend the law. Clause 4 makes the necessary additions to the list of exemptions contained in paragraph 23 of the second schedule to the Act. The new exemptions will operate retrospectively in like manner to the previous exemptions.

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

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from August 20. Page 459.)

The Hon. Sir WALLACE SANDFORD (Central No. 1)—When the Public Purposes Loan Bill of a year ago was before us it will be remembered that special reference was made by nearly every speaker to the expansion of the amounts required in the few preceding years. In order to refresh our memories I remind members that they were as follows:—1947-48, £7,485,000; 1948-49, £11,500,000; 1949-50, £14,000,000; 1950-51, £21,000,000; 1951-52, £41,160,000. Actual expenditure last year totalled considerably less than the sum provided in the Bill, for it was only a little over £31,000,000, but it will be remembered that the Treasurer, speaking in another place a year ago, said that he did not expect that a programme of the magnitude then presented to the House could be completed in that year. For good reasons, however, it was advisable to have power to provide for other work if suitable supplies of materials and labour became available. At that time many materials were in extremely short supply and it was one thing to obtain permission and power to make a contract for purchase and another to obtain delivery. Indeed, it was on account of the number of occasions when goods had to be short-shipped that the difficulty became so acute as it did a few months later. Many importers found that they were getting shorter quantities of goods than they had ordered, and when this began to be a regular thing some of them ordered somewhat more than they could do with; certainly more than they expected to get. When goods became more easily obtainable and ships were coming out fairly well loaded a congestion of supplies was very noticeable in some lines. It may be asked what this has to do with the Loan Bill, but it has a very direct bearing on this year's purchases and therefore on the labour situation and trade generally.

The management of the affairs of our State requires constant attention, even more rigidly than ever in the somewhat confused conditions which developed, and in view of the rapid increase in the population of the State in the period of a few years. In 1940, at about the beginning of World War II., our population was 599,000 and by December last it had grown to 730,000, an increase of no fewer than 131,000 souls. Immigration has been responsible for most of that number. Therefore, those in charge of our services had to

figure, not only on the natural expectation of increase of population, and therefore the growing demand on practically every service, but had to estimate the somewhat incalculable demand arising from the very substantial increase in population of 131,000 in the brief space of ten years. Those figures give some idea of the necessity for increasing food production alone, and even a cursory look at the services and public undertakings set out in this Loan Bill stimulates one's imagination by their magnitude. Harbours, railways, electricity and water and sewer services and so on call for both maintenance and expansion. Reference has been made on previous occasions, and already in relation to this Bill, to the fact that the moneys for these purposes are obtained by the State through the Loan Council. It will be recollected that in the times when each State went on the market for money an unhealthy competition arose and the taxpayer was faced with the necessity of providing interest on funds which had been borrowed in some cases at higher rates than were perhaps necessary. The establishment of the Loan Council in about 1924 and the financial agreement of some 25 years ago has stabilized that position very considerably. Money, as we know it, is first borrowed from the public and the Loan Council allocates it among the various States. Last year £72,000,000 was raised from public loans and other sources and the Commonwealth Government found the remainder of the money required for the total programme of the States, namely, £153,000,000. Of that, South Australia's share was £26,000,000.

For years the Government has been getting money at very low rates. The necessity, as we saw it, for the establishment of the Loan Council was, among other things, to obviate competition in the issue of loans but when that came about we found that the pendulum swung in the other direction and the Government obtained money very cheaply. As usual with the swinging of pendulums, the higher they are lifted on one side the more rapidly they swing back to the other and we see now, from the recent borrowings, that the rate which was until a few months ago a little over three per cent appears to be approaching no less than five per cent. A reduction in works programmes has therefore been inevitable throughout Australia. This State will be able to carry out a programme totalling £29,000,000, the details of which are set out in the schedule to the Bill. Members will see, by comparing the figures in the first schedule,

that in most cases the estimated expenditure for the coming year shows a definite reduction on the figures of estimated expenditure a year ago. If I point out a few details from the schedule members will perceive my argument. The estimated expenditure for advances for homes in the coming year is £1,050,000 whereas a year ago it was £1,200,000. For railways this year the amount is £3,050,000, whereas last year it was about £4,500,000. The amount for harbours accommodation is about half of what it was last year; in one or two cases, however, the estimated expenditure will be greater than a year ago. For instance, roads and bridges are estimated to cost £300,000 this year as against £200,000 last year so that the expenditure this year is half as much again. In every case the amounts are the estimated expenditure and the amount provided for last year was not used; therefore we can only compare one figure with another and get a picture of the set-up generally showing a definite reduction in the Loan programme and that means a shrinkage in employment throughout the State.

The Hon. F. T. Perry—By the Government?

The Hon. Sir WALLACE SANDFORD—Yes, because this is a Government Bill. It is interesting to note that in the Architect-in-Chief's Department this year an amount of £2,117,000 is provided for Government buildings and land as against £1,842,000 last year. The grand total this year is £29,000,000 as against £41,000,000 last year.

The Hon. K. E. J. Bardolph—Has not the economy of the State progressed to such an extent that it needs increased loan expenditure?

The Hon. Sir WALLACE SANDFORD—But the Bill provides for a decreased loan expenditure.

The Hon. K. E. J. Bardolph—That is due to the action of the Commonwealth Government. The demand for developmental work still exists.

The Hon. Sir WALLACE SANDFORD—I do not say it is not, but we have to cut our coat according to our cloth. The point is that money was cheap and Governments apparently thought it would be cheap forever, but now in spite of the warnings that money would inevitably be dearer, the change has come very rapidly. Who expected six months ago that £100 bonds which were issued at 3½ per cent would be obtainable for something over £80?

The Hon. K. E. J. Bardolph—Isn't that due to a lack of confidence in the Commonwealth Government?

The Hon. Sir WALLACE SANDFORD—No, the point is that there is not the money about. We have tied ourselves to paper currency and it is not so hard to get money as it was when we had to produce gold out of the ground, bring it to the surface, refine it, and make it into coins. Nevertheless, up to a certain figure it is quite safe to issue paper money and probably desirable but when the point is reached when there is too much of this currency about the rates of interest go up.

The Hon. F. J. Condon—In other words there is no confidence in the Liberal Government.

The Hon. Sir WALLACE SANDFORD—People seem to have confidence in the Liberal Government of South Australia because every election we find it returned with a majority.

The Hon. F. J. Condon—But not for much longer.

The Hon. Sir WALLACE SANDFORD—We have heard that before. One of the first things I heard in coming into Parliament was that some kind of a miracle had happened and the Government that came into power scraped in but that would not happen next time. There have been several next times, but I am confident that the people of South Australia realize that the State has been well managed and will return the Government to power again.

The current Loan estimates provide for expenditure of £29,000,000, of which about £4,000,000 has been allocated for the development of our uranium deposits, leaving about £25,000,000 for other work. Members have seen the deposits at Radium Hill and it is cheering to learn that during recent weeks other finds of this mineral have been discovered in a part of Australia which used to belong to South Australia. It appears as if this mineral exists to a great extent and naturally will greatly help in our financial position.

The Hon. K. E. J. Bardolph—The cost of mining there is three times greater than at Radium Hill.

The Hon. Sir WALLACE SANDFORD—Perhaps, but if this material is so scarce its price will probably adapt itself to the conditions. South Australia is most fortunate in having these deposits.

The Hon. F. J. Condon—Do you suggest that the State Government or private enterprise, as advocated by the *Advertiser*, should control it?

The Hon. Sir WALLACE SANDFORD—The *Advertiser* has few competitors in providing good news and its advice is generally very

sound. Private enterprise has managed very well in Australia. South Australia is in a large and living business and, like all businesses, the services which it gives the people have to be provided for. It is not merely a matter of borrowing money, building some machinery and having distributable profits for all time. All sorts of things have to be provided for when anybody enters into an enterprise. For instance, the interest bill always has to be paid. We cannot pass that responsibility on to the taxpayers generally for all time. Not only has interest to be paid, but depreciation, wear and tear, replacement, obsolescence and many other things must be allowed before what is called "profit" is obtained.

The State has undertaken the responsibility of providing a number of services, such as railways, water and sewers. In order to finance these enterprises and extend them, where necessary, we must have money. Plans have to be prepared and carried out and wages and materials paid for, sometimes for years before an undertaking is completed. I understand that members will visit Port Augusta within the next few days. The new power house there also had to be provided for in the Loan Bill. The management of the business of South Australia is in the hands of the Government, which enjoys the support of the majority of the people. We are producing what other countries want and, in many instances, want very badly. Many countries are short of uranium, of which we apparently have a surplus. But we must remember that there is a danger associated with it. Adequate defence must be planned and maintained, after which comes production and other things, which require that all these services must be provided for. South Australia is part of the Commonwealth which has its own particular problem, but it also has great opportunities. As the Bill covers the financing of capital for extensions of State services I have pleasure in supporting the second reading.

The Hon. F. T. PERRY secured the adjournment of the debate.

HOSPITALS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 20. Page 459.)

The Hon. C. D. ROWE (Northern)—The Bill is a simple one and little need be said about it. Last year we amended the Act by deleting the whole of Part VI., which covered clauses 49 to 55 dealing with the payment of hospital charges resulting through accidents.

In lieu of that part we enacted a new one under which we provided, by new section 50, that where an accident occurred to persons in collisions with vehicles on the road the Commissioner of Police was required to give details to the Director-General of Medical Services. Similarly, we provided under section 51 that if a person or company was an insurer under an insurance policy the insurer must give notice to the Director-General of any accident for which he would become liable to payment. Again, where a patient was treated in a hospital, the hospital was given the right to give notice to the insurer regarding the person so treated. We tied up the whole matter as closely as possible to ensure that hospitals would recover from people involved in accidents, or from their insurers, the cost of hospital treatment.

By section 49, which was enacted last year, we provided that a Government hospital should include, firstly, the Royal Adelaide Hospital, secondly, any place declared to be a public hospital pursuant to the Hospitals Act, 1867, or to section 5 of the 1951 Act, and thirdly, any hospital in respect of which the Governor has declared or declares that the Rating for Hospital purposes Act, 1919, or Part IV. of the 1951 Act, shall apply. The Director-General was responsible for the collection of sums due to subsidized hospitals, but it now appears that it would have been wiser and more expeditious if Government-subsidized hospitals attended to the collection of such sums.

According to the Director-General's report last year, the 436 beds provided in Government hospitals cost £266,000, whereas in the 42 subsidized hospitals the 1,063 beds cost only £376,000, or in other words, to maintain a bed in a Government hospital today costs £610 a year and in subsidized hospitals only £353. The cost of a bed in subsidized hospitals is considerably less than in Government hospitals. If we transfer part of the administration duties of government hospitals to subsidized hospitals, Government hospitals will be carried on more expeditiously and cheaply. The figures I have quoted relate to the number of beds provided by hospitals and not to the number of beds occupied in hospitals in this year.

The Hon. C. R. Cudmore—In both cases?

The Hon. C. D. ROWE—Yes.

The Hon. C. R. Cudmore—Is it because the wards in subsidized hospitals are almost intermediate and people pay more?

The Hon. C. D. ROWE—I think the position is that in our Government hospitals we maintain more beds per hospital in relation to the number of beds occupied, whereas a subsidized hospital as a rule maintains nearer a full hospital.

The Hon. C. R. Cudmore—But Government hospitals are always full.

The Hon. C. D. ROWE—Judging from the Director-General's report that does not appear to be the case. Consider, for example, the Government hospital at Wallaroo which has 72 beds, with an average daily number of patients of 25.35. Mount Gambier hospital, with 91 beds, has an average daily number of patients of 67.3. For Barmera the figures are respectively 26 and 17.02; Port Augusta 84 and 35.52; Port Lincoln 34 and 33.4; and Port Pirie 126 and 84.97.

The Hon. F. J. Condon—What about Royal Adelaide?

The Hon. C. D. ROWE—That is not included in the figures in this report, but it would appear to me that most of our country hospitals have a higher average number of patients in relation to their total capacity than Government hospitals. I think it all boils down to the fact that the boards of management of subsidized hospitals can run them more economically than Government hospitals can be conducted.

The Hon. F. J. Condon—May I assume that there is no need for extra hospital accommodation in the country?

The Hon. C. D. ROWE—I am not arguing that, but simply saying that it is costing £610 a year to maintain a bed in a Government hospital and only £350 in a subsidized hospital. I cannot understand why it costs so much more to run, say, the Wallaroo hospital than it does, say, the Maitland hospital.

The Hon. K. E. J. Bardolph—The honourable member should realize that there is greater medical efficiency in the larger Government hospitals.

The Hon. C. D. ROWE—I would not agree with that. To say that the Wallaroo hospital is better than the Maitland hospital is not borne out by facts.

The Hon. K. E. J. Bardolph—For obvious reasons the Adelaide Hospital would be better equipped.

The Hon. C. D. ROWE—I am not talking about the Royal Adelaide Hospital; I wish the honourable member would listen. I was talking about the Maitland and Wallaroo hospitals. I would much rather go to the Maitland than to the Wallaroo hospital, but the point, as it

appears to me, is that we might very well look into the matter as I can see no reason why it should cost £610 a year to maintain a bed at the Wallaroo Government hospital and only £350 in the subsidized hospital at Maitland. I pay a tribute to the members of the boards of management of subsidized hospitals who give their services voluntarily throughout the year and manage them so efficiently.

The Hon. K. E. J. Bardolph—The honourable member is speaking about two isolated cases.

The Hon. C. D. ROWE—I am not. I am considering all the eight Government hospitals, except Royal Adelaide, in the State as opposed to the 42 subsidized hospitals, and I think the position is clear to most members if it is not to the honourable member. The Bill has considerable merit and I support it.

The Hon. E. H. EDMONDS (Northern)—I think we may take it that the measure of support of any Bill introduced into this Chamber cannot be gauged on whether it happens to deal with a small matter or a large one, although any measure dealing with the health of the community is of real importance. I want to draw attention to one or two aspects of the question which occurred to me while the Minister was delivering his second reading speech. Interpreting the Bill literally, it is designed simply to transfer one group of hospitals to another category. It has already been pointed out that the Act provides that people who, as the result of accident, receive treatment in a Government or subsidized hospital have their cases reported through the Police Department to the Hospitals Department. The Bill leaves that provision as it stands in relation to Government hospitals, but places subsidized hospitals in the same category as private hospitals.

The Hon. C. R. Cudmore—Only for this one purpose.

The Hon. E. H. EDMONDS—Yes. As Mr. Rowe indicated, there are 40 subsidized hospitals in country districts, so the alteration could have far-reaching effects, and what occurred to me is upon whom the responsibility will fall for notifying the insurer of his liability in the case of a patient treated in a subsidized hospital. Under the Road Traffic Act any person involved in a motor accident has the responsibility of reporting it to the nearest police station, giving certain prescribed particulars. Among those details, I understand, is information relating to the insurance effected in relation to the person injured and the name of the insurer. If it is

so I appreciate that a country hospital giving treatment to a person involved in an accident would get the necessary information from the police officer of the district to whom the accident was reported, and I assume that the responsibility would then fall upon the management of that hospital to follow up the matter and make their claim to the insurance company. So far so good, but up to date the responsibility for notifying the hospital concerned of the details of a case have been more or less shouldered by the Inspector General of Medical Services, on information supplied by the Police Department. I suggest, therefore, that subsidized hospitals be notified of the change that will take place with the passing of this Bill, for I conceive that many of them will probably not be aware of the alteration. They may treat a person whose home is far removed from the scene of the accident, or even the resident of another State, and if there is any delay on the part of the management in making its claim it may fail to be recouped.

The Hon. C. R. Cudmore—It will be interesting to know whether those hospitals have even been consulted and are willing to assume the responsibility. We might hear that from the Minister in reply.

The Hon. E. H. EDMONDS—I will not express any opinion about it. The Bill is otherwise quite a simple matter and I do not expect any difficulty in implementing the amendment, provided the people concerned are notified of the change. I support the Bill.

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

PRICES ACT AMENDMENT BILL.

Second reading.

The Hon. R. J. RUDALL (Attorney-General)
—I move—

That this Bill be now read a second time.
This Bill deals with two matters—namely, the extension of the period of operation of prices control, and the basis on which the prices of butter and cheese are to be fixed. The proposed extension of the Act for another year is in accordance with the policy of the Government announced in the Lieutenant-Governor's Speech. The Government believes that freedom from control is in the public interest and leads to lower prices than control, provided that adequate supplies of goods are on the market and there is no trade arrangement designed to defeat competition. Unfortunately, these conditions do not yet exist over a very wide field.

Many kinds of commodities are still in short supply and when the full impact of the import restrictions is felt the position may be worse. There are also trade arrangements affecting the price of important commodities. In these circumstances it would be most undesirable to abandon price control and the Government therefore proposes an extension of the Act for a further year.

The clause dealing with the price of butter and cheese has been introduced at the request of the Commonwealth. All States have been asked to pass a similar clause on this topic. The need for it arises out of the new dairy industry stabilization plan which has been introduced by the Commonwealth and came into operation on July 1 last. The general principle of this plan is that for a period of five years dairymen will receive a minimum guaranteed price for butterfat used in the manufacture of butter and cheese. The guaranteed price will in each year apply to an amount of butterfat equal to one and one-fifth times the amount used for home consumption during that year. The amount of the guaranteed price is to be the cost of efficient production of the butterfat as estimated by Commonwealth authorities. It is not intended that the whole burden of the guaranteed price shall fall upon

consumers of butter and cheese, but part of it will be met out of a subsidy paid by the Commonwealth. For the current year, according to the information supplied to the Government by the Commonwealth, the subsidy on butter will be approximately 10½d. a pound.

In order that the stabilization scheme shall work effectively it is necessary that all prices authorities in the Commonwealth should fix retail selling prices of butter and cheese based on the wholesale price of these commodities as fixed by the Commonwealth for purposes of the scheme. It is obvious that if the declared retail prices were so low as not to allow for the guaranteed return to the producers the scheme would break down. South Australia has agreed to co-operate in the scheme and has accordingly included in this Bill a provision that the prices of butter and cheese payable on sales by persons other than proprietors of butter or cheese factories will be based upon a wholesale price determined by the Commonwealth Minister for Commerce and Agriculture.

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

ADJOURNMENT.

At 3.03 p.m. the Council adjourned until Tuesday, September 16, at 2 p.m.