

LEGISLATIVE COUNCIL.

Tuesday, October 14, 1952.

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

ACQUISITION OF LAND: HUNDRED OF BRINKLEY.

The PRESIDENT laid on the table the report of the Parliamentary Committee on Land Settlement on acquisition of land in the hundred of Brinkley.

QUESTIONS.**HARBORS BOARD PERSONNEL.**

The Hon. K. E. J. BARDOLPH—I ask leave to make a short statement prior to asking a question.

Leave granted.

The Hon. K. E. J. BARDOLPH—I understand that, with the exception of Mr. Meyer, no member of the Harbors Board has had sea-going experience. When the next appointment is to be made will the Government give due consideration to the appointment of retired seafaring men, such as sea captains?

The Hon. A. L. McEWIN—I assure the honourable member that in all appointments consideration is given to those who have the proper qualifications for the job and who are available.

MARGARINE ACT.

The Hon. S. C. BEVAN—On Tuesday, September 23, Mr. Condon directed a question to the Chief Secretary regarding the amendment of the Margarine Act, and was informed by the Chief Secretary that no decision had been reached. Can he say whether a decision has now been reached?

The Hon. A. L. McEWIN—I will again refer the honourable member's question to the Minister of Agriculture.

PRICE OF CORNSACKS.

The Hon. W. W. ROBINSON (on notice)—

1. Is the Minister aware that the price charged for cornsacks has progressively dropped from 70s. to 34s. 8d. per dozen C.I.F. or cost landed in Australia over the past year?

2. Is it the intention of the Government to approach the Australian Wheat Board regarding the price being charged for cornsacks for the coming harvest, namely, 70s. 6d. per dozen?

The Hon. A. L. McEWIN—Representations have already been made to the Australian Wheat Board for a reduction in the price of new and secondhand cornsacks. No reduction, however, has been secured.

HERD TESTING SOCIETIES.

The Hon. L. H. DENSLEY (on notice)—

1. How many commercial herd testing societies are operating in South Australia?
2. What is the average number of members?
3. What is the number of cows under test?
4. What is the average size of herds?
5. How many applications have been received from dairymen unable to join a society?
6. What is the limiting factor to providing further commercial herd testing societies?

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

1. Twenty.
2. Twenty-two.
3. 16,800.
4. Forty cows.
5. Nearly all herd testing associations have waiting lists of dairymen desirous of having their herds tested.
6. Various factors have contributed to limiting the number of associations such as (a) difficulties in obtaining suitable recorders, (b) difficulties in obtaining requisite plant, but the main limiting factor is the question of finance.

METROPOLITAN ABATTOIRS**SLAUGHTERING CAPACITY.**

The Hon. N. L. JUDE (on notice)—

1. Is it correct that the restriction of stock from country markets entering the abattoirs last week resulted in a curtailment of slaughtering, due to the stock not being available?

2. In view of the restrictions, and the apparent incapacity of the Metropolitan Abattoirs to slaughter all sheep and lambs offering at the peak season, is it the intention of the Government to take any immediate steps to try to rectify the position for future years and give practical incentive to the lamb producer to increase production?

The Hon. R. J. RUDALL—The general manager of the Metropolitan and Export Abattoirs Board reports:—

1. No.
2. It is considered that if a reliable forecast were made of the number of sheep and lambs available for slaughter for export prior to the season commencing, and with proper regulation of the flow of stock to the works in keeping with its capacity, there would not be any difficulty in treating all sheep and lambs

offering for slaughter. The following statement of slaughterings at the Metropolitan Abattoirs from July 1 to September 30 in each year shows that slaughterings for the present season are the best since 1944-45, which was the year of the drought. The number of sheep slaughtered have also been shown and con-

verted to the lamb equivalent according to the men's tally, i.e., 80 lambs and 70 sheep. Prior to January 1, 1948, killings were based on a 5½ day week instead of a 5 day week which now operates. Also there was considerable overtime during war years owing to the insistent needs for war and defence purposes.

Year.	Lambs.	Sheep.	Total lamb equivalent.	Total number of lambs held for export.
1944-45	233,519	7,008	321,528	709,851
1945-46	850	7	857	60,775
1946-47	95,426	27,927	127,300	308,746
1947-48	150,413	1,716	152,376	366,471
1948-49	113,789	1,460	115,458	483,688
1949-50	117,272	10,014	128,716	491,525
1950-51	47,965	4	47,970	305,104
1951-52	17,307	24	17,334	122,770
1952-53	138,053	25,356	167,029	300,000

(October 4)

BUILDING OPERATIONS BILL.

Read a third time and passed.

MUNICIPAL TRAMWAYS TRUST ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 9. Page 867.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—I support the second reading because the Bill has as its genesis the report submitted by the Committee of Inquiry which recommended certain alternatives, and this is one of the proposals which has been accepted by the Government. I wish to make it clear at the outset that any criticism I may make of the activities of the trust must not be taken as personal reflections upon members of the trust, but as they constitute a public body elected by the suburban municipal councils they are, like members of Parliament, open to fair criticism. In order to get the matter in proper perspective it is well to review briefly the history of the trust. It was established in 1907 and has been in existence 45 years. Everyone in South Australia, particularly people in the metropolitan area, looked upon its establishment as a forward move in controlling transport not in direct competition with the State-owned and controlled railways. It was looked upon throughout Australia as a model electric tramway system and it has played a most important part in the development of the residential areas close to the square mile of Adelaide. I understand that Sir William Goodman, who relinquished the position of General Manager about two years ago, was called in by the Government of the day to lay out the system, and the outcome was the system which now operates. I congratulate him on the work

he has performed but I do suggest that the trust has not kept abreast of modern transport trends. I pay a tribute to the employees of the trust who, through the years, have played a prominent part in its development. It is one of the few industries where there has been a close understanding of the workings of the industry as exemplified by members of the Tramways Employees Union. It was one of the first industries in South Australia where compulsory unionism was inaugurated and it has proved that where there is a complete recognition of the working of industry by a responsible trade union organization the industry works effectively.

At present members of the trust are elected by the constituent municipal councils, but under this Bill the Government will set up a trust in conformity with the report of the committee of inquiry which was appointed last year to investigate the affairs of the trust. That investigation was necessary because the trust had got into financial difficulties. The Government will make grants out of public revenue and will set up a body which will be responsible to a Minister. The trust's accounts will be audited by the Auditor-General and each year a report will be submitted to Parliament. Another purpose of the Bill is to enable the trust to balance its accounts. We are too prone to look upon controlled social services as profitmaking concerns but members will agree that social activities and public utilities, such as tramways and railways, are really developmental services and should only be expected to make an honest endeavour to make income and expenditure meet. Any losses made by the tramways have been more than compensated for by the development

in the urban areas which has occurred by virtue of transport services. Certain railways and tram tracks are non-payable propositions when examined on paper but from an overall picture it is obvious that benefits do accrue.

The Hon. E. Anthoney—You could not run a business that way.

The Hon. K. E. J. BARDOLPH—My honourable friend is always looking for profits but some of our businesses today—the big emporiums in Bundle Street—would not be in a position to make profits were it not for transport services which bring customers to them. The success and economic stability of those emporiums and other businesses have been built up by transport services.

The Hon. Sir Wallace Sandford—What other businesses?

The Hon. K. E. J. BARDOLPH—The Gas Company, for instance.

The Hon. F. T. Perry—Gas has to be taken to the people.

The Hon. K. E. J. BARDOLPH—Yes, but the people must come to Adelaide to pay their accounts, and they do so by the available transport. Transport plays a prominent part in the economy of a State. The Bill does not go far enough, because all transport should be controlled by one co-ordinating authority. Taxis and other forms of public transport will not be affected by the provisions of this Bill but the Opposition supports it because it is the best proposal offering at the moment. We hope that the Government will realize the need for the establishment of one co-ordinating authority. In reviewing the balance-sheets of the trust it is alarming to note that since 1945 the trust has not made a profit. The first substantial loss was £93,000 in 1947-48, followed by losses of £138,000, £236,000, £313,000 and £529,000. These losses aggregate £1,332,000 and the loss which will accrue in the current financial year has been estimated at approximately £750,000.

For some time the trust has been financed by the State Bank on a day to day expenses basis but the bank has intimated that that method cannot continue and that is why this measure has been introduced. The Government will be enabled to pay out of public revenue the necessary amounts needed for the purpose of continuing the present system.

The Hon. C. R. Cudmore—Where is it coming from?

The Hon. K. E. J. BARDOLPH—It will come from public revenue; it cannot fall like manna from Heaven.

The Hon. Sir Wallace Sandford—Somebody will have to make some profits.

The Hon. K. E. J. BARDOLPH—Quite true, but at present the trust has an overdraft of £135,000. Under the Act the limit of the overdraft is set down at £150,000. The Minister stated that the urgency for the Bill being passed was to permit the trust to meet its commitments.

The Hon. C. R. Cudmore—And pay wages.

The Hon. K. E. J. BARDOLPH—Yes. Another £150,000 is needed to pay for goods and services. Interest on loans also has to be paid shortly. In that regard it is interesting to note, according to page 113 of the *Statesman's Pocket Year Book* that the amount of interest payable on capital in 1949-50 totalled £111,544, in 1950-51, £113,076, and in 1951-52, £121,525. I do not suggest that it has been an arbitrary increase in interest, rather is it because of the increased amounts loaned by the bank. These facts indicate the seriousness of the situation that has developed during recent years. In my view the trust has not kept abreast of the times because we find that last year private services with 116 vehicles carried nearly 12,000,000 passengers, or 13 per cent of the total number carried by public road transport in Greater Adelaide. If private enterprise can develop these areas and extend its services to our outlying suburbs then the trust has not kept abreast of the times.

The Hon. N. L. Jude—The original Act provides for that.

The Hon. K. E. J. BARDOLPH—Yes, but it also provided that the trust could extend its services.

The Hon. E. Anthoney—Your argument is all for private enterprise.

The Hon. K. E. J. BARDOLPH—Not at all. If a trust is established to implement Government policy in the provision and management of a social service it should be a success, but if we have a trust that is not desirous of carrying that policy into effect there must be an atmosphere of chaos instead of an atmosphere of success. My argument is not in favour of private enterprise; I am merely pointing out the position as regards private bus services. The trust could have inaugurated these bus services and, had it done so, it would have been in a far better financial position than it is today.

The Hon. E. H. Edmonds—These services are operating under licence from the trust?

The Hon. K. E. J. BARDOLPH—Yes. Later I propose to move an amendment for

the appointment of an employees representative on the trust, as I have always advocated that there should be a greater liaison between those who work in an industry and those who control it. I propose that one of the members of the trust shall be a member of the Australian Tramways and Motor Omnibus Employees Association (South Australian Branch). There is a precedent for this in the Metropolitan and Export Abattoirs Board. Sir Wallace Sandford was chairman of a committee which inquired into the activities of the Metropolitan Abattoirs and brought in a most interesting report.

The Hon. Sir Wallace Sandford—The decision was not unanimous.

The Hon. K. E. J. BARDOLPH—No, but you accepted the report in full. The personnel of the proposed new trust for the metropolitan tramways would be strengthened if a representative of the employees was appointed in a similar manner to the representative on the Abattoirs Board. A member of the Meat Industry Employees Union is appointed to that board. That would maintain to a greater degree that feeling of co-operation which has existed between employees and the trust ever since it has been in existence. I support the second reading.

The Hon. C. R. CUDMORE (Central No. 2)—I approach this problem with feelings of regret that it should have arisen, but with a definite feeling that somebody must provide some form of transport for any city. Originally the movement of the people depended on horse transport, which was hard put to it to bring people to their work when Adelaide began to grow up and the population in urban areas became congested. Owing to the condition of the roads horse transport at the time was most difficult. It simply could not be done efficiently, and so somebody had the idea of having trams run on lines and pulled by horses. Then coal and machinery came into evidence and the next step was to decide that trams could be operated better by some form of machinery. This led to cable trams as introduced in Melbourne and many other places in the world. That was just prior to the acceptance of electricity as a motive power. The next step was electric trams and, at the very moment they were being installed here and elsewhere in the world, some unnecessary person discovered the internal combustion engine, which has caused us most of the trouble we have had in the last 50 years.

Members have had an opportunity to read all the discussions and reports of 1906, and in 1907 our Metropolitan Tramways Trust was established to run electric trams in Adelaide. I would like to pay a tribute to the way those trams were run for the next 40 years. Everywhere one went throughout Australasia one heard the comment that Adelaide had the best tramway system, and no-one will deny that Sir William Goodman, who installed and controlled it for a very long time, was a most extraordinarily efficient person. Like the older forms of transport—the horse and cable trams—electric trams are now out of date, and I view the whole matter from that point of view. In 1905 I travelled from Leeds to Manchester by tram. Now there are virtually no trams in that part of the world. When I was in London last year the last trams were running in South London, and within the last six months we have read of the celebrations by people who had the last tram ride in the whole of the London area. Tramways are out of date beyond question. The trust has been faced with extraordinary difficulties. During the war it could not get rails or labour to carry on ordinary upkeep and repairs, and when eventually it was able to get labour wages had risen so extraordinarily that the expense was out of proportion.

The Hon. S. C. Bevan—Did not the tramways lose money in the war years?

The Hon. C. R. CUDMORE—I think the losses commenced about 1945, which was after the war. Now the matter has come to a crisis. I have read the reports of the committee with great interest and I have studied the accompanying plan showing the existing tram lines, the subsidiary bus lines run by the trust and the bus routes run under licence from the trust by private enterprise. I was very pleased to hear the tribute paid to private enterprise by Mr. Bardolph.

The Hon. K. E. J. Bardolph—I did not pay it a tribute. I wanted to know why the trust could not extend its own services instead of leaving it to private enterprise.

The Hon. C. R. CUDMORE—The honourable member went out of his way, in the earlier part of his speech, to pay a tribute to the tramways for their developmental work.

The Hon. K. E. J. Bardolph—In the early stages.

The Hon. C. R. CUDMORE—I deny that. I do not think they did any developmental work; they simply followed up when they saw

that something would pay. It is private enterprise that has done the developmental work and not the tramways, and in comparing the tramways with the railways the honourable member was completely up in the air, as there can be no basis of comparison. On this question there seem to be three schools of thought—and I am not merely copying the three alternatives offered by the Government. The first is—“Do nothing. Let the tramways go smash. Let the people walk and see what happens.” That would be rather tragic. The present situation financially is that the metropolitan councils are responsible for the debentures of the trust and the interest on them, but not for losses on running costs—and no-one is. That is the situation with which this Parliament is faced. We all realize that from the point of view of the State as a whole we cannot allow the whole system to come to a stand-still and we must do something in the way of intervention. The second alternative is that suggested by Mr. Bardolph, namely, that the whole matter of transport, without further inquiry, be taken over lock, stock and barrel by the Government. I am not prepared to accept that because local government has its rights and interests which we should protect, and private enterprise likewise has its rights and interests. It would be absurd for Parliament, on the information at present before it, to decide to take over the whole thing.

The Hon. K. E. J. Bardolph—Labor’s policy is the setting up of an efficient trust.

The Hon. C. R. CUDMORE—Labor’s broad policy is nationalization. Everybody knows all about that so we have no need to go into it now. This Bill is a temporary compromise. The position has arisen that the tramways cannot continue unless somebody comes to the rescue, and this Bill is introduced by the Government with a view to establishing a new trust and providing finance, as and when decided by Parliament, for carrying on the tramway system. This must be, as I see it, a temporary measure. Some people think the police should have complete control of ancillary vehicles and so forth. On the other hand the councils think they have some rights in quite a number of those things. I point out that the Premier, in another place, promised that, in conjunction with this temporary control of the tramways, a special committee will be appointed to go into the whole question of the control of ancillary transport. I am entirely in accord with that. It is high time that the matter was properly considered, but I hope that such a

committee will be quite impartial and that there will not be on it, for instance, the Commissioner of Police, or representatives of the city or urban councils. They are the people who want to exercise certain controls and they should put their case to a completely independent tribunal. I would suggest that an inquiry of this sort is important enough to warrant a Supreme Court judge as chairman, with two other independent people—say, a financial expert and an expert on transport.

The only other major question is that of finance. The ratepayers are responsible for the debentures and interest on them—as it were, the capital of the trust—but not for running expenses, and no-one else is. Clause 12 provides that Parliament, out of money voted for the purpose, may make grants to enable the trust to meet its responsibilities. That seems perfectly reasonable and sensible and, indeed, the only way to deal with the situation at the moment. It may be suggested that the general taxpayer in the country has nothing to do with the trams in Adelaide. I do not agree with that any more than that the general taxpayer in the city has nothing to do with the losses on country waterworks. We are in the unfortunate position that 55 per cent of our population lives in the metropolitan area and most of them do not use the railways but we had better not go into that because losses on the tramways are infinitesimal as compared with railway losses. This is a temporary measure in the hope that as a result of the inquiry which has been promised it will be possible for the tramways to be run more efficiently. The committee of inquiry said all along that we must not extend tramlines or renew out-of-date trams. I hope the Bill will enable us to get through a difficult transitional period. There was a similar position when there was a transition from horses to the present system of trams. I support the second reading.

The Hon. F. T. PERRY (Central No. 2)—This debate is a matter of regret to most members. For a number of years the tramway system operated successfully and during the early part of the century it appeared as though there was a tendency to entrust certain responsibilities to municipal authorities, one of which was the running of the tramways. However, I point out that the Government appointed two members to the trust—one of whom was the chairman. The chairman is the responsible member of a committee.

The Hon. R. J. Rudall—Surely all members are responsible.

The Hon. F. T. PERRY—If a chairman is not in step with a committee's policy it is his prerogative and duty to resign. He is the mouthpiece of a committee and a good deal is expected of him. By appointing the chairman the Government as well as the municipal councils accepted responsibility in the running of the trust. The municipal authorities were also responsible for the abattoirs and the Infectious Diseases Hospital, but the Government took over the abattoirs deliberately and without sanction. The Infectious Diseases Hospital was taken over by the Adelaide Hospital at the request of the councils. The trust is the last major responsibility of the municipal authorities as a group and they are now in the position of having to forego that responsibility. The general policy in a democracy should be that the users of an instrumentality should have some say in its management and it is a pity that the trust cannot be run on those lines. The changeover from one trust to another does not necessarily mean that the tramways will be more successful nor does the fact that the Government will be responsible instead of the councils suggest that. When the first major loss was made in 1946 some action should have been taken to rectify the position. We have spoken glibly about the electrification of railways and because of its close relationship with the tramways system there may be some merit in the appointment of one controlling authority. The Bill does not indicate who will constitute the new trust. There is an amendment on the files that one member should be a representative of the Tramways Union, but I agree with Mr. Cudmore that those appointed to the trust should not be interested in the instrumentality they are to govern. In other parts of the world municipal authorities still cling to their control of transport systems, but South Australia is one of the few places to change that position.

Under the Bill the trust is to be assisted in finance from public revenue. That sounds easy but the revenue is to come from the State's disabilities grant. We have drawn largely on that grant but I am afraid that the time may come when requests for increased grants will be refused. It is all very well to enjoy the same standard of living as your neighbour but that philosophy has got many people into trouble. It is easy to suggest that our social service comforts should be equal to those in New South Wales and Victoria.

The Hon. L. H. Densley—Does not the Grants Commission lay down that our railways must pay?

The Hon. F. T. PERRY—I believe they must charge the same freights as other States, but so long as the trust says that our tram fares will be the same as in other States the Grants Commission will, it is claimed, readily make a grant available. At present there appears to be no alternative but to accept the Government's proposal. The present trust has not protested against the report of the committee of inquiry which disclosed some glaring facts. There must be some explanation for the actions of the trust since 1946 when the first loss was manifested. Sir William Goodman was an efficient officer who, if anything, probably dominated the trust, which accepted that domination. Unfortunately the result has been disastrous, not during Sir William's virile period of active work, but since his retirement. There will be difficulties ahead of any institution or organization which relies on one man. It is a pity that an organization like the Tramways Trust should have reached the plight it has in so short a time. That indicates to me that the economy of Australia, and particularly South Australia, has altered quickly. Up to six years ago the tramways were flourishing and making profits, but are now showing a tremendous annual loss. Something has happened for which the trust cannot be blamed. Our whole economy has gone astray and the facilities and comfort that we demand do not fit in with the running of many of our instrumentalities.

The Hon. E. Anthoney—On that argument, couldn't many of the other States be in exactly the same position?

The Hon. F. T. PERRY—I understand that they are, but not to the same extent as South Australia. Brisbane has been held up as an example by the inquiry committee, but figures in relation to its operations for last year are not shown in the report. None are available, but if there were we might get a totally different picture. Members know what happened in Greater Brisbane a few months ago when the council of that city was unable to raise sufficient loan money and had to dispense with the services of many of its employees. In Brisbane the tramways are run by the municipal authorities. I repeat that something has happened to Australia's internal economy. There are various approaches to our tramways problem. We should endeavour to ascertain the reasons for the conditions which have changed so quickly and severely affected the tramways. To my

mind they are not hard to discover; the astounding thing is that we accept them without any argument.

The Hon. K. E. J. Bardolph—What are they?

The Hon. F. T. PERRY—An authority has seriously affected our economy by decisions affecting hours and wages and our transport systems have not been able to safeguard themselves.

The Hon. K. E. J. Bardolph—Our economy has got out of control because of the Menzies Government.

The Hon. F. T. PERRY—In this case it started in 1945 or 1946, prior to the Menzies Government assuming office, and has been aggravated ever since. We need only look to our railways and water supplies to see the condition into which these services, which supply the needs of the people, have got. The position of the Tramways Trust is mild compared with the railways where the losses have reached £5,000,000 a year. There is some excuse for the railways, however, because they are helping to develop the country. That does not apply to the tramways, which render a service to a section of the community and should be held responsible for any losses. They should be made to pay. I want to see a return to the conditions that existed for so long.

I support the Bill as there is no other course open. Parliament has been presented with accomplished facts. Members are not asked to make any suggestions as to how the position could be improved. The trust is in a position where somebody must step in and assist. Like Mr. Cudmore, I trust that the present position is only temporary. I trust, too, that the control of the tramways will soon revert to control by municipal authorities and that the State will not be held responsible for the trust's financial position. It is a purely local undertaking and should be handled by those who use it. I support the Bill.

The Hon. N. L. JUDE (Southern)—It is with considerable diffidence that I approach the Bill. I realize, as a country member, that I am entering into a discussion which, in itself, concerns to a greater degree members who represent city electorates. In its broader outlook it affects the finances of the State and from that angle I feel that I am just as much entitled to discuss the matter as any member. I have carefully considered the second reading speech of the Chief Secretary and realize that once again Parliament is faced with what might be termed a "Gimme" Bill. Something has gone wrong and the Government is

asked to put it right. I listened with interest to Mr. Bardolph expound his routine theme for the nationalization of transport. Members should consider carefully the impact of nationalization of transport in Britain and its disastrous effects over the years. I listened with interest to Mr. Cudmore saying that we had to do something "pronto" and that we might as well get on with the job, at the same time insisting that it was the right of Parliament to decide the case from time to time. He also expressed the hope that this would be a temporary measure. I hope that he will prove to be right, but I have my doubts.

I agree strongly with Mr. Cudmore when he says that there is no comparison between our tramways and railways systems. The railways have done a tremendous amount of pioneering work and have often carried tremendous losses in developing the State. As a matter of fact, it was only two years ago when I said that rail freights should be increased when primary producers were in a position to pay. I was told that I would be howled down if I made that suggestion. I made it, however, at one or two meetings of stockowners and similar organizations. I believe that part of the tramways problem has been a reluctance to charge enough early enough. When we run into a deficit we are faced with tremendous rises which everybody shies at and the public comes to the Government with "Please give me" or "Please do something about it."

We must accept the Bill because of the emergency factors connected with it. Thousands of passengers, together with a considerable number of employees demand, apart from depreciation of capital, that something should be done. I believe that with the Government taking more interest in tramway affairs it may be possible to get greater co-operation between the Electricity Trust and the Tramways Trust, although I believe that it has been fairly close. It might be possible, with a reduction in the price of Leigh Creek coal, to give additional help to the tramways in regard to its basic power. Government co-operation in that direction might help. As far as I am concerned it would be mean for country members, because of their affiliation with the country, to allow city people to suffer unduly because of the present disabilities of the trust. As a country man, I have realized for many years that city water reticulation schemes have made a profit which has been used to offset the deficit on country water schemes. I am sure that country members will be the first to recognize that fact.

The report stresses the need for change in the trust. Although I do not want to enter into details as regards the method of selection and audit I feel that the provisions in the Bill will make for continued stability of the trust. I lean towards far greater consideration being given to private operators. They have done a pretty good job for transport in the city and its environs and in the country. I have often stressed my firm belief that the idea that the Transport Control Board should prevent one motor operator from competing with another is ridiculous. If we are to have some form of co-ordination to prevent undue motor transportation cutting the throat foolishly of the railways I am prepared to give it some consideration, but I have never supported the theory that any State-constituted board should decide the merits of one motor operator in the country as against another. I believe in private enterprise in that direction, unless it competes directly with a public utility provided by the taxpayers. I can only hope that city members will realize, when they look for the support of country representatives, that we have our own problems in regard to transport, and that we will not hear members for the central districts denouncing an expenditure of one-third of a million pounds in one year on railways in the South-East. I have always regretted that rather parochial outlook and I trust that my attitude at least will ensure that we have a little more co-operation in these affairs for the benefit of the State. With regard to the Bill as a whole I feel that Parliament will have considerable control and I therefore have pleasure in supporting the second reading.

The Hon. E. ANTHONY (Central No. 2)—The history of tramway electrification is of great interest and goes back to the days when the city was served by horse trams. When the changeover took place there was a clamant call on the part of the councils that the enterprise should be controlled by them. The then Mayor of Adelaide said that he was astounded at the designs of the Government to interfere in this industry and that it was entirely the duty and privilege of the various local councils. So the system was set up under the aegis of local governing bodies and, when the enabling legislation was under consideration, there was embodied in the Act not only the privileges of the councils but their responsibilities, and I think the councils have largely shirked them by not carrying out what they elected to do.

When one looks at the excellent report of the committee—with reference to the last

few years of the trust's activities, its very scathing indictment of the management—and the evidence in reference to other tramway systems in the Commonwealth one finds that in Victoria and Queensland there are striking examples to the contrary of what has happened in South Australia. In Victoria the undertaking is run by a board also, but that board is responsible for the whole of the Government's contribution to fire brigades and infectious diseases hospitals, and it has to pay full rates to local authorities. Therefore it is loaded with a tremendously higher proportion of costs than our own system, but is nevertheless carried on profitably. In fact the various councils have benefited by many thousands of pounds as a result of efficient management of the tramways. The situation is much the same in Brisbane where the system is run entirely by the Greater Brisbane Council. The rolling stock and permanent way are most modern and in excellent condition and until recently the undertaking has been able to make fairly substantial profits. It affords food for reflection as to why our system which, for 40 years, was conducted excellently, under splendid management, should have now got into such difficulties. There were few industrial disputes under the leadership of Sir William Goodman—I can remember only one—and generally the system was regarded as a model. Since 1946, however, heavy losses have been incurred, and when one looks for the reason it becomes fairly obvious that they are attributable to the almost prohibitive costs of materials since the inflationary period began, and wage increases of up to 200 per cent in four or five years. The trust tried to find its way out of its financial difficulties by increasing fares, but this simply resulted in considerable loss of patronage. Many people found it cheaper either to run their own cars or pay something towards the expenses of a motorist friend than to pay the increased tram fares.

The Hon. K. E. J. Bardolph—Does not that prove inefficiency on the part of the trust?

The Hon. E. ANTHONY—I do not doubt that there has been some inefficiency and I think the report points that out, but it was not only inefficiency, because the trust was loaded with terrific costs.

The Hon. K. E. J. Bardolph—And lacked initiative.

The Hon. E. ANTHONY—To a certain degree, but I suppose the trust had become frustrated; increased fares did not seem to be the answer and it was being met periodically with increasingly heavy charges, so the Government had to step in to try to put

things on an even keel. This is a temporary measure which will not convert an almost bankrupt system into a paying proposition. It will at least tide the trust over the period of serious financial trouble until the new management can take over and straighten out affairs. There are many weaknesses in the present set-up, such as heavy obsolescence charges running into tens of thousands of pounds. The trust is faced with an expenditure of nearly £500,000 for the restoration of roads which were shockingly neglected during the war, and with the necessity to provide new rolling stock. It is quite impossible for the trust as at present constituted to carry that out. I think it quite right, in choosing the personnel of the new trust, that as far as possible personal interests should be disregarded, but having regard to the wonderful work which private bus operators have done in providing transportation for new residential areas, the Government, although not perhaps appointing a direct representative of the Omnibus Proprietors Association, should at least seriously consider their claims. It is significant to note that they have carried 12,000,000 passengers during the last year in areas which the trust was not serving and which had no other means of public transport, and it is to the very great credit of the bus proprietors that they were ready to risk their capital in pioneering new routes. They were sufficiently enterprising to go out into these no-man's lands and provided a much appreciated service.

The reports of the committee of inquiry are interesting, if unpleasant, reading. One does not like reading strictures of the management which controlled the tramways system. Trams are passing and other parts of the world are ridding their transport systems of them and providing money for more flexible means of transport. In London, with a population of between 8,000,000 and 10,000,000, there are no tramlines and buses are efficiently and economically transporting people. We should have no hesitation in installing such a system here. Tasmania is getting rid of its trams and replacing them with trolley buses. According to the committee's report not one agency in our tramways system does not make a loss. Trolley buses are losing threepence a bus mile and trams approximately 1s. 3d. a tram mile. I support the Bill in the hope that the new trust will be chosen without fear or favour and that it will efficiently manage this system and in time place it on an economic basis.

The Hon. C. D. ROWE (Midland)—As a country member there are one or two comments I wish to make. I do not want to raise the

issue of country against city because it is hardly relevant, but a transport system which serves a densely populated area like the city and metropolitan area should be able to pay its way, and should strive to achieve that result. I make no criticism of what has or has not been done in the past because I know nothing about the administrative side of the system or the way it should be run. One or two comments in the interim report of the committee of inquiry are of great significance and early and proper attention should be given to them. The first to which I draw attention states:—

After visiting the three capital cities in the eastern States and studying the working of the tramway undertakings in each, the committee is of the opinion that the financial success or failure of an undertaking depends to a major degree on the method of control under which it is operating.

I believe that to be a correct statement and one of our first considerations as a Parliament should be to see that the method of control under which a system operates is likely to be the most efficient. I do not know whether the method which is suggested will achieve that object, but one of the primary principles which would achieve it is that there must be a responsibility on the part of the people who are running the system to meet any financial losses incurred. As this system serves mainly the interests of the city and suburban people, they should be responsible through the local councils for any losses incurred. Once the people are divorced from the principle of responsibility it leads to inefficiency and that is borne out by statements published throughout the report. It is rather surprising to see that passenger loading on the trams has decreased since 1945, and the relevant part of the report reads:—

It will be seen that there has been practically no expansion in the route miles of the three types of services in operation during the past 20 years. There was an increase in 1951 of about 26,000,000 in the number of passengers carried, compared with the year 1939, but the total of 78,000,000 passengers carried during the year ended 31st January, 1951, was 17,000,000 less than the number carried in the peak year ended 31st January, 1945.

With the progress made in Adelaide since 1945 and the increase in population it seems rather anomalous that the number of passengers carried should have decreased by 17,000,000 a year. In 1945 the passenger loadings were 9.3 per vehicle mile as against seven in 1952 which, according to the report, is a dangerously low level and one at which the concern cannot be expected to pay.

The report's statement on licensed services reads:—

The trust has for years adopted a policy of licensing private motor bus owners to operate services in the more sparsely populated localities in the metropolitan area. The evidence shows that these services are being carried on in an efficient manner and although there is an arrangement that the non-payable services may, if necessary, be subsidized by the Trust, only one or two of the smaller ones are being subsidized. According to evidence submitted by the trust, there were at January 31, 1951, 31 of these services operating on regular daily schedules, and for that year they carried 10,742,000 passengers, an increase of 664,000 over the previous year. The type of vehicle used, the time tables, and the general quality of the service is under the strict supervision of the trust. The policy of licensing these services is a sound one, because if the trust operated the services, it would lose heavily on them. This is evidenced by the fact that in one instance alone, where a private operator is carrying on a very profitable business, it is estimated by the trust's officers that if the trust took the same service over, it would lose more than £20,000 per annum on it.

It does not seem logical that where a private operator is making a profit if the trust ran the service it would lose £20,000 a year. If that is so an urgent inquiry should be given to all the outer services and wherever losses are being incurred an effort should be made to see whether the services could not be more efficiently run by private enterprise. The answer to one of our problems is to pass over as many services as possible to private enterprise. I live on Yorke Peninsula which has neither freight nor passenger services run by the Government. Some years ago two private operators started a passenger service to Adelaide. They hold a licence to operate and have provided an exceedingly efficient service, have been courteous and attentive, and have kept their buses in good order. There have been few complaints and the service has not cost the taxpayers one penny. Similarly, the Yorke Peninsula Carriers' Association, comprising a number of carriers operating on a private enterprise basis, has conveyed tremendous quantities of wheat and barley from one part of the peninsula to another without any cost to the State. It is perfectly obvious that the answer to the transport problem is to let private enterprise have a fair chance to compete. If that is done, instead of having to meet annual losses the private operators will be paying licence and registration fees, thereby contributing towards the wear and tear on roads which the trust is not doing at the moment. Unless something is done to cut out the

obvious waste of money in the various activities of the trust I will not feel in future that I can continue to agree to the granting of public money to this system which could, and should, be placed on a sounder basis. I support the second reading.

The Hon. S. C. BEVAN secured the adjournment of the debate.

SUPPLY BILL (No. 3).

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

The Hon. A. L. McEWIN—I move—

That this Bill be now read a second time.

This is the third Supply Bill that has been presented to members this session. Members are aware that Supply is a method of providing finance to carry on the public services of the State until such time as the Budget is dealt with, when Parliament has an opportunity of discussing and analyzing every item. This year the Budget is a little later and in consequence the Bill is necessary to provide for an additional expenditure of £5,000,000 which will enable the Government to carry on until the Appropriation Bill is passed. There is little need to discuss the measure. Expenditure is limited to that of the previous year, except for any increase in wages or payment of any special item under the Governor's appropriation.

The Hon. K. E. J. BARDOLPH (Central No. 1)—Members of the Opposition have no objection to the Bill being passed expeditiously, but direct attention to the fact that it has been the practice of the Government to introduce Supply Bills from time to time without giving the necessary particulars to members before they are called upon to vote the money required. This is needed for wages and salaries and will not be wholly absorbed in any increase in the basic wage. Members of the Opposition have drawn the Government's attention to this matter from time to time, and I do so again this afternoon. It is the Government's duty to give members full details of current expenditure.

Bill read a second time and taken through its remaining stages.

URANIUM MINING ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 8. Page 812.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—I support the second reading. The Bill deals with security measures affecting the uranium deposits at Radium Hill, but does not go quite so far as the measure passed by the

Commonwealth Parliament. It has become necessary because both Governments have decided that the uranium deposits in Australia shall be fully developed. In this connection I might ask, "How much scientific progress can be achieved in 10 years?" A list of discoveries in the last decade makes H. G. Wells and Jules Verne read like prophets of the horse and buggy age. As for the future, a new popular literature has grown up, guessing what scientists will think next. Ten years ago physicists revealed the existence of particles that make up the atom—electrons, protons and neutrons—and demonstrated their role in the composition of matter. They also discovered what value uranium was in the manufacture of atomic energy for war purposes and in the treatment of various maladies that affect our physical well-being. The atomic nuclei of one of the heaviest natural elements, uranium and thorium, had been split on the laboratory scales and certain stable elements had been experimentally rendered radio active. During the last 10 years we have realized the use of atomic energy in the form of an explosive, the possibility of making nuclear fuels, more uses for radio-activity in physics and physiology and many more ways of using electrons and Hertzian waves. The Bill has for its purpose the protection of scientific development and results. In the atomic field, during the next 10 years, experiment will continue to be more important than application in the atomic field. At atomic fission plants in both America and England heat has already been tapped, as a by-product, and channelled for heating buildings.

I pay a tribute to the Director of Mines (Mr. Dickinson) for the manner in which he has been developed, through his department by his officers and himself, the exploration and continued development of the South Australian uranium deposits. We have spent over £1,000,000 on the development and exploitation of these deposits and it is for this reason that the Bill is brought forward. It is security legislation, which members of the Labor Party support. They believe, as every true Australian believes, that Australia must, in its own interests, not permit any avenues to be opened up which would convey any of the scientific knowledge gained to an enemy power which might seek to come here or other parts of the British Commonwealth and impart an ideology which is anathema to every right-thinking British subject. We want to protect our own interests and the interests of those who believe in the British way of life.

At the same time as we are attempting to pass legislation which will tighten up our security measures the press has seen fit to sensationally display news about what it terms the "colossal Monte Bello atomic blast." If that blast has done nothing else, it has placed Great Britain back in the position of a world power and must have a great effect on those nations which, although mouthing peace on the one hand, are attempting to create international discord and creating a disturbing effect on people. Although we are attempting to control only certain sections of the uranium field we read a full report of what happened at Monte Bello. The Melbourne *Argus* of October 6 says that a British Home Office spokesman said he was amazed at the report, "which must have come from Australia." He continued:—

Two of our scientists went to Australia, but I do not know what part they played in the test.

If we are to have a tightening up as regards our uranium deposits we should have a tightening up all round. Doubtless agents of enemy powers could piece these reports together, particularly one which states that two leading British scientists were found, alive and unscathed, after being in concrete cubicles right within the vicinity of the blast. These foreign scientists could understand from the reports something of the power of the blast. Before Parliament knew anything about the Bill full details were published in the *Advertiser*. I enter an emphatic protest against such action.

The Hon. R. J. Rudall—Do you realize that the Bill was laid on the table in the House of Assembly and that that is how the *Advertiser* got it?

The Hon. K. E. J. BARDOLPH—The fact is that full details did appear.

The Hon. R. J. Rudall—After the Bill was before Parliament, not before.

The Hon. K. E. J. BARDOLPH—It has been suggested, too, that the future control of this uranium should be placed in the hands of private enterprise. All the credit due for the development of our uranium resources must be shared by members of the Opposition and of the Government Party, because the former are just as desirous as the latter of seeing full development, as evidenced by their votes from time to time. It has been said that the Commonwealth Government is considering the setting up of an atomic commission. In the Melbourne *Sun* of last week it was reported:—

Ministers are hoping for an announcement

of a Federal agreement with the United States Atomic Energy Commission for Rum Jungle to supplement the South Australian Government's agreement for Radium Hill. These agreements will ensure that ample uranium will be retained in Australia for industrial purposes.

The Opposition agrees that uranium should be retained and controlled by the Government and it would object to our deposits, after development, being taken over by any other authority. I believe that South Australia was the first part of the British Empire to engage actively in the full development of uranium deposits and I would not like to see the Commonwealth Government controlling our deposits after we have shown that our own methods are just as efficient.

The Hon. L. H. Densley—That is a rather new attitude for the Labor Party.

The Hon. K. E. J. BARDOLPH—No, it is not. If it were we would not be supporting this measure, or any other project in connection with Radium Hill. The Opposition supported the development of the field and, both in this and the other place, have passed over £1,000,000 for the purpose. Having done that they support this measure of security, indicating that they are just as desirous as members opposite that the secrets of scientific development in connection with this important uranium deposit shall remain within the British Empire. I also say that the Opposition will not agree to private enterprise being called in, after the developmental stages have been passed, to reap any benefit which may accrue from the further development of uranium, because it should be a State-owned and controlled project, and we have sufficient officers of very good calibre in the Mines Department to ensure this. Professor Baxter, Professor of Chemical Engineering at the Sydney University School of Technology, and others, have indicated that some Australians are playing an important part in England, being trained in research work in connection with atomic power, and they will be returning to Australia to use their knowledge. Therefore, we should control our own project whatever the Commonwealth may desire. South Australia was the first State to undertake the work and this Parliament and this Government can take every credit for what has been done. We, the members of the Opposition, support the Government and trust it will not accept any overtures by the Commonwealth to usurp State rights in this matter.

The Hon. Sir WALLACE SANDFORD (Central No. 2)—This Bill is important, for it has

been said that uranium is a priceless national asset and holds out all kinds of possibilities in regard to Australian industry and development. The short title of this Bill is the "Uranium Mining Act Amendment Act, 1952," but examination shows that it deals almost entirely with protection of the uranium fields from sabotage and with the maintenance of secrecy in processing the ore. We recall that the Minister, in his second reading speech, said that it was designed to ensure that operations and processes which, in the national interest, ought to be kept secret are kept secret. However, I think the penalties prescribed are much too light and not very likely to provide any great degree of deterrent. For instance, I do not think the provisions with regard to the oath of secrecy are of much value. If anyone is so debased that he would endanger his country's very existence the matter of an oath would not be likely to be regarded by him as much of an obstacle to overcome. We have seen that it has not proved to be a deterrent in some other countries. I do not suggest that this clause should be removed for, of course, it can do no harm, even though it does not do much good. I remind members of some lines published in the *Advertiser* a little more than a week ago, when the leader of one of the countries with which we are not in very close agreement said:—

We have to use any ruse, dodge, trick, unlawful method, concealment, veiling of the truth, so long as Capitalism and Socialism exist . . . and until one or the other should triumph the principle rule is to dodge and manoeuvre.

When words like those are used we should certainly be on our extreme guard.

The Hon. R. J. Rudall—Not only used, but put into practice.

The Hon. Sir WALLACE SANDFORD—So we understand. That was not a statement of a nonentity but of a great leader and consequently, being forewarned, we should be forearmed. Proposed new sections 4a, 4d, 4e, 4f, and 4i provide what appear to my lay mind a satisfactory framework, but the penalties should be made much more severe. If it ever became necessary to use the Act we should all feel how inadequate was the weapon we were given. Punishment for treason has, rightly, always been very severe and drastic. It should be designed to discourage, but that does not appear to be the case in this instance. It looks more like the punishment for some difference of opinion regarding taxation, or some other thing, whereas the whole security of the nation may be imperilled, with all the consequences

involved. Therefore, I hope that new section 4k (2) (3) will be amended. If we mean to provide adequate protection the Act should say so in no uncertain manner.

Towards the end of the Bill clubs and refreshment rooms are given some consideration. It is desirable to take steps to develop amenities by anticipating requirements in this direction to ensure that the new settlements are made comfortable and smooth working. We all remember our visit to Olary a short while ago, and it was very pleasing to me to observe the care and forethought which had been expended in making the place so livable and attractive in the short space of time that had elapsed. The Government deserves considerable credit for having paid so much attention to this aspect. The finds of uranium, in nearly every instance, have been well off the beaten track and the amenities to be provided show foresight for which the Government is to be applauded. The staff to be sent to the field will be happier because of the care shown in anticipating their requirements. I could quite imagine that a strong case could be made for continuing the mining of this mineral as a Government monopoly, but that can well be left to Parliament with the unfolding of the development of the mineral. I support the second reading in the hope that before the Bill is passed the matter of penalties will receive some consideration so that there will be no doubt as to the seriousness with which the community generally will regard any attempt to betray national secrets.

The Hon. L. H. DENSLEY secured the adjournment of the debate.

LANDLORD AND TENANT (CONTROL OF RENTS) ACT AMENDMENT BILL.

Second reading.

The Hon. A. L. McEWIN (Chief Secretary)
—I move—

That this Bill be now read a second time. The principal purpose of the Bill is to extend the operation of the Landlord and Tenant (Control of Rents) Act for another year. It will be recalled that last session some important and, in instances, far reaching changes were made to this Act as a result of the recommendations of the committee which, under the chairmanship of Mr. W. C. Gillespie, S.M., inquired into the operation of the legislation. These recommendations, and the consequent amendments of the law, dealt with all the phases of the legislation. The law relating to evictions was altered somewhat in favour

of lessors, provision was made for a raising of general rental standards as applied to the control of rents, and many other matters were dealt with.

The result of altering the basis for the fixation of rents, of course, brought about a flow of applications to the Housing Trust for fixation of rent and from January 1, 1952, to July 31, 1952, about 9,500 applications were made, almost all by lessors. In the earlier months of the year, the trust was inundated with these applications and, as was expected, could not deal with them as fast as they were received. However, the trust dealt with this flow of applications with expedition and up to July, 31, had made provisional fixations of rents in about 8,800 cases and is now dealing with applications faster than they are being received. As was also expected, the effect of the 1951 Act was to bring about some increase in rents. Final fixations of rent have been made in the case of 6,147 dwelling houses and the net result in these cases has been to increase the average rent by 6s.

Since the Act came into force on January 1, 1943, the Trust has finally determined rents in 34,785 cases. The Government is of opinion that at present there is no reason to alter the main provisions of the Act, that the rental standards provided for by the 1951 Act should be left unchanged, and that no alterations in policy should be made in the provisions dealing with such matters as evictions, protected persons, and the other basic provisions of the Act. Consequently the Bill, in addition to extending the duration of the Act for a further 12 months, does not do any more than make a number of minor and necessary alterations to the law. It is not proposed by this Bill to make any alteration to the general policy of the existing Act.

The clauses of the Bill are as follows:—It will be remembered that under section 46 of the amending Act of 1951 it was provided that, if the Act and its various amendments were reprinted under the Amendments Incorporation Act, the sections and other provisions of the Act could then be renumbered. This has been done and a reprint of the Act has been made and is included at the back of the 1951 annual volume of statutes. The numbering of the sections has been altered so that, for example, what was previously section 26am is now section 72. Clause 2 is necessary to provide that, where any clause refers to a section of the principal Act, it is to be construed as a reference to the renumbered section as embodied in the reprinted Act.

Clause 3 amends the definition of "dwelling-house." Section 4 defines a dwellinghouse as any premises leased for the purpose of a residence and provides that it includes parts of premises and premises where a substantial part is used for residence and the remainder for various business purposes. In a recent case in the High Court on the construction of a similar Act of another State, it was held that the effect of a somewhat similar definition was to provide that any premises, any part of which is leased for residence, is a dwellinghouse. This is obviously contrary to the intended policy of the definition and the effect of clause 3 is therefore to provide that a dwellinghouse is to be premises the whole or a substantial part of which is let for residence.

Section 17 of the Act provides that where the Housing Trust makes a provisional fixation of rent either party to the lease can object to that fixation. If one party objects, he is required to supply a copy of the objection to the other party, who can reply to that objection. Section 18 provides that, before the rent is finally fixed by the trust, it is to consider any objection made to it. The section, however, does not require the trust to consider any reply made to the objection and clause 4 remedies this omission.

Part IV. of the Act deals with the control of the rents of caravans and, under this part, the trust is given power to fix schedules of maximum rents for caravans and rents for the use of land on which caravans are placed and for various amenities such as sanitary, laundry and other facilities. The trust has fixed scales of rents for the metropolitan area. Section 36 provides that where a person receives an amount as rent of a caravan or the rent of land associated with the letting of a caravan, he is to give a receipt. Some persons who let caravans which are placed upon their land, have found a loophole in the Act and are making a practice of giving a receipt for a sum which is stated to be for hire of the caravan and the rent of the land, without specifying the amount attributable to each purpose. The person hiring the caravan is informed of the total amount payable and is not given any details of how it is arrived at. It has been apparent that, in instances, the total rent so paid is in excess of that fixed by the trust as the maximum rents for these various items, but in the absence of specific amounts being stated on the receipts the trust has been advised that there is no evidence upon which a prosecution can rely. Clause 5 therefore provides that, in circumstances such as these, the receipt is to state

separately the amount of rent attributable to the hire of the caravan and the amount attributable to the other purposes. If the receipt does not give this break-up of the amount then, in the absence of proof to the contrary, the amount shown in the receipt is to be deemed to be rent paid for the caravan.

The various grounds upon which notices to quit may be given are set out in section 42. As originally enacted this section provided that a notice to quit could be given for the recovery of the possession of premises where they were reasonably required for the occupation of the lessor or reasonably required for other purposes. By amendments in 1949 and 1951 the word "required" was struck out and the word "needed" substituted. However, in paragraph (r) of subsection (6) the word "required" still remains although, to be consistent with the other paragraphs of the section, this should be altered to "needed." Clause 6 makes this alteration and, in addition, inserts the word "reasonably" before "needed" in conformity with the other paragraphs of the subsection.

Paragraph (a) of clause 7 is another drafting alteration. Paragraph (c) of subsection (1) of section 49 provides that, when proceedings are instituted in a court for recovery of possession of premises upon one or other of the grounds set out in the paragraph, the court is to take into account whether reasonably suitable alternative accommodation has been available to either of the parties. Among the grounds dealt with in this paragraph is that set out in paragraph (k) of subsection (6) of section 42 which provides that notice to quit may be given where premises have been occupied by a person in consequence of his employment and he has left that employment and that set out in paragraph (l) of the subsection which provides that notice to quit may be given where a house or contiguous to agricultural premises is needed for occupation by an employee. Subsection (5) of section 49 provides that where proceedings are taken on the ground mentioned in paragraph (k) or (l) the court is not to take into account any of the matters set out in subsection (1) of section 49. It follows, therefore, that the references to paragraphs (k) and (l) in paragraph (c) of subsection (1) of section 49 are inconsistent with subsection (5) of that section and should be deleted. This is done by clause 7.

Paragraph (b) of clause 7 deals with another matter. It provides that where a tenant of a house completes the building of another house

after the passing of the Act but does not occupy it, although it was available for occupation by him as a residence, then, if proceedings are taken against him for the recovery of possession of the house tenanted by him on the grounds that the landlord needs it for his own occupation, the court is not to take the hardship provisions into account. Thus, if the tenant builds a house and disposes of it instead of living in it, he will lose his rights to have hardship considered in proceedings relating to the house tenanted by him.

Section 60 of the Act provides that, where a person gives notice to quit on a ground such as that he needs the premises for his own occupation and the court orders possession to be given to him, he commits an offence if he sells or leases it without the consent of the court within a period of twelve months. In 1951 the penalty for this offence was increased from £50 to £500. From time to time offences under this section are reported to the trust, but its experience is that these reports are not received until after six months after the offence has been committed and therefore it is not possible to prosecute. The increase of the penalty in 1951 clearly indicates that this offence is considered a serious one and clause 8 therefore provides that complaints for offences under this section may be made within 12 months of the commission of the offence instead of the usual six months laid down by the Justices Act.

Section 68 provides that the trust may, on the application of the owner of any premises, issue an exclusion certificate to cover the letting of the whole or part of those premises. The effect of such certificate is to exclude the particular premises from the operation of the provisions of the Act relating to the control of evictions. At present there is no power for a lessee who desires to sublet under circumstances which justify the issue of an exclusion certificate to make an application under the section. Clause 9 provides that such a lessee may apply for an exclusion certificate but can only do so with the consent in writing of the owner.

Part VI. of the Act deals with protected persons and section 72 contains definitions which set out who is a protected person. To be a protected person a person must, among other things, have been engaged on war service during any war in which His Majesty became engaged on or after September 3, 1939, but before the passing of the amending Act of 1951. As the definition of "war service" stands, there is considerable doubt as to whether this includes service in Malaya and some little

doubt as to whether it includes service in Korea. Clause 10 therefore provides that operations in these two theatres are to be deemed to be wars in which His Majesty has become engaged.

Clause 11 makes a drafting amendment to section 75. This section provides, in general, that a dwellinghouse is deemed to be unoccupied although a person has entered into occupation contrary to subsection (4) of section 74. Subsection (4) was repealed as the result of a recommendation of the Committee of Inquiry but the consequential amendments which should have been made to section 75 were not made. This is done by clause 11.

Clause 12 deals with arrangements to evade the Act which are becoming more or less common. The Act, both as regards rent control and the control of evictions, applies to premises which are leased, and instances are now occurring where the owners of premises are permitting others to occupy the premises or parts of them, under documents which are described as licences and the point is taken that the premises are not leased. These so-called licences provide, in effect, that a licensee is given the right to occupy the premises and is required to pay a fee of so much per week or other period. Obviously, these are brought into existence to defeat the intent of the Act and it is proposed by clause 12 that where any such licence, arrangement or agreement provides that a person, in consideration of payments made to another person, is entitled or authorized to occupy any premises, that arrangement is to be deemed to be a lease for the purpose of the Act and the parties will be deemed to be the lessor and lessee of the premises, and the payments to be rent. The test under this provision will be the right to occupy and, if a person is given that right, he will be deemed to be a tenant. It is provided, however, that where any such licence, arrangement or agreement was made before September 17, 1952, the only provisions of the Act which are to apply to the licence, arrangement or agreement are those relating to control of rents and, thus, the eviction provisions of the Act will not apply with respect to these transactions made before the Bill was introduced. Clause 13 extends the operation of the Act for another year until December 31, 1953.

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

ADJOURNMENT.

At 4.36 p.m. the Council adjourned until Wednesday, October 15, at 2 p.m.