LEGISLATIVE COUNCIL.

Thursday November 25, 1954.

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

QUESTION.

WESTERN SUBURBS WATER PRESSURES.

The Hon. S. C. BEVAN—I ask leave to make a short statement with a view to asking a question.

Leave granted.

The Hon. S. C. BEVAN—I have referred previously in this Chamber to the water supply in the western suburbs. The pressure in that area, especially during the summer months, has been inadequate to meet the demands for a considerable period. I arrived at my home in Mile End last night at 6.10 p.m. and turned on a tap but no water came from it, and it can be imagined how this would affect domestic arrangements and the sewerage system. This morning the pressure was a little better, although only a trickle could be obtained, but it was impossible to have a shower. Will the Chief Secretary investigate this matter with a view to giving an adequate supply to this district?

The Hon. Sir LYELL McEWIN—I shall obtain a report on the matter.

LEAVE OF ABSENCE: THE HON. R. J. RUDALL.

The Hon. Sir LYELL McEWIN moved—

That two weeks' leave of absence be granted to the Hon. R. J. Rudall on account of ill-health.

Motion carried.

APPROPRIATION BILL (No. 2).

Read a third time and passed.

STAMP DUTIES ACT AMENDMENT BILL.

Read a third time and passed.

SUCCESSION DUTIES ACT AMENDMENT BILL.

Second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I move—

That this Bill be now read a second time.

Its main purpose is to increase the exemptions from succession duty on property taken by widows, widowers and children. The new scales of duty enacted in 1952 provided that duty should not be payable on the first £2,800 of property taken by the widow of the deceased person or any child of his who is under 21, or on the first £500 of property taken by a widower or a child over 21. The Government has recently re-examined the question whether these exemptions are adequate to prevent hardship to persons succeeding to relatively small estates. It is not easy to decide what the exempt amount should be. Under the present law a property worth £3,500 passing to the widow pays £87 in duty. A similar property passing to the widower is charged £250. Representations have been made to the Government that these amounts of duty, together with other unavoidable expenses, sometimes cause hardship and embarrassment to families of moderate means. The hardship may be accentuated where two deaths occur in the same family in rapid succession. After considering the whole matter the Government has come to the conclusion that it is desirable to liberalize the exemptions and has decided to raise the exemption for widows and children under 21 to £3,500, and the exemption for widowers and adult children to £1,500, and to adjust the scale of duty on property valued at amounts in excess of those sums, so that the existing amount of duty will be retained in the case of property valued at £5,000 or more. Clause 4 makes amendments to give effect to these decisions.

The value of the concessions proposed is indicated by the following examples. A widow or child under 21 will benefit to the extent of £87 10s. on property of £3,500, £50 on property of £4,000 and £12 10s. on property of £4,500. A widower or child over 21 will benefit to the extent of £62 10s. on property of £1,500, £50 on property of £2,000-£3,000 and £25 on property of £4,000. The probable decrease in revenue arising from the proposed adjustments has been calculated to be about £85,000 a year. This represents a little over 5 per cent of the total revenue from succession duties.

The Bill also alters the method of assessing duty on property given duty free. It is a common practice for a testator to give a legacy free of duty, by which is meant that the duty on the legacy is to be met from the residue of the testator's estate, and not from the legacy itself, as would normally be the case. Thus the total value of a duty-free legacy is the actual amount taken by the legatee, plus the value of the exemption from duty. At present under the principal Act the value of a duty-free legacy for purposes of duty is calculated by

working out the sum which would, after payment of the duty, leave the amount of the legacy, so that the value of the exoneration from duty is taxed.

Since the principal Act was amended in 1952 the calculation of duty on duty-free legacies has become much more difficult. Before 1952 the whole of a legacy was chargeable at the same rate of duty. Now, however, a legacy may be charged with duty at more than one rate. This fact greatly complicates the calculation of duty and where the beneficiary is given some property free of duty and other property not free of duty the exact amount of duty can only be calculated by making arbitrary assumptions. The rule which requires the value of the exoneration from duty to be taken into account in assessing the duty on a legacy given duty free does not necessarily benefit the revenue. This depends entirely on the size of the residue of the estate. If the residue is large it may well be dutiable at higher rates than the legacy, so that if the duty paid on the legacy were taxed as part of the residue, more duty would be payable. Because of these factors the Government has decided to alter the law to provide that duty shall be assessable on the amount of the legacy without taking into account the value of the exoneration from duty. The amendment will bring about a worth while simplification of the law. It has the support of the Law Society and the information obtained from the Commissioner of Succession Duties indicates that the decrease in revenue will be small. Clause 3 therefore makes the necessary alteration of the principal Act.

The Hon. K. E. J. BARDOLPH secured the adjournment of the debate.

FRIENDLY SOCIETIES ACT AMENDMENT BILL.

Second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I move—

That this Bill be now read a second time.

Its object is to enable friendly societies to divert to their management funds more of the interest from their invested capital than is at present permitted. Friendly societies are required by the principal Act to keep separate accounts for each fund created by the society, and are forbidden to apply money in one fund for the purposes of another fund without complying with certain requirements of the principal Act. A society may transfer money from one fund to another with the consent of the Chief Secretary subject to the qualification that, where it is proposed to transfer money from a sickness or funeral benefit fund, the transfer must be recommended by the Public Actuary, who must report that there is a surplus in the fund.

A society may also use a surplus in one fund for certain special purposes, which include management purposes with the consent of the Chief Secretary and the Public Actuary. In addition if, in the report which the Public Actuary is required to make every five years on a society's assets, a surplus is reported, and the rate of contributions for new members is certified sufficient, the society may apply all interest in excess of 4½ per cent from capital funds for any purpose approved by the society. Friendly societies are at present having difficulty in meeting their costs of management. Their membership has been steadily falling for some years and costs of management have risen greatly.

There does not appear to be any possibility of financing the increased costs by increasing members' contributions, as this would probably discourage new members from joining and make matters worse. The problem can be solved by using money from other funds, which, generally speaking, are in a satisfactory condition. In fact, in the last five years in order to give societies relief the Public Actuary has recommended grants of surplus money from sick and accident benefit funds to management funds. The United Friendly Societies' Council has approached the Government with the request that, to assist in overcoming the difficulty, additional interest on invested capital should be made available for expenditure on management. The council suggests that interest in excess of 4 per cent, instead of 4½ per cent as at present, should be available. This request has been considered by the Public Actuary, who recommends that it be granted. He points out that the amendment will provide automatic relief to almost all societies. The Government is accordingly introducing this Bill, which amends the principal Act as requested by the council.

The Bill deals also with another matter raised by the United Friendly Societies' Council. Under the principal Act the purposes for which a fund may be created by a society are defined in detail, and the council has drawn attention to the limitations placed on the purposes of hospital benefit funds. The principal Act only permits benefits to be provided where the sick person is actually accommodated in hospital. The council has asked

that societies be permitted to provide a benefit where a person who has been refused admission to a hospital or is too ill to be moved to a hospital is attended by a registered nurse at home. The council states that at present friendly societies are in an unfavourable position, since hospital benefit associations which are not friendly societies are providing benefits in these circumstances whereas friendly societies are prevented by the principal Act from so doing. The Government thinks that friendly societies should be able to provide the proposed benefit and clause 3 makes the necessary alteration to the principal Act.

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

LOTTERY AND GAMING ACT AMENDMENT BILL (GENERAL).

Adjourned debate on second reading.

(Continued from November 24. Page 1496.)

The Hon. F. J. CONDON (Leader of the Opposition)—One of the objects of this Bill is to authorize the holding of trotting meetings on Eyre Peninsula at night and there can be no objection to extending this privilege to that part of the State as it is already permitted elsewhere. The second important matter in the Bill relates to the constitution of the Trotting League, and in this connection I note that the Bill conflicts with another Bill introduced in another place but which, I understand, will not be proceeded with.

The Hon. E. Anthoney—Has not this arisen through a private squabble among the committees?

The Hon. F. J. CONDON—I do not know. I understood that the delegates reached an agreement but that the rank and file of one organization did not concur with what had been done. I am not concerned whether it is a squabble between two parties, but what is the fair thing to do. I shall not deny that the Trotting League, which largely represents country interests, should have a majority on the executive committee, but I think the representation proposed is unfair. I consider there should be a system of zoning in the control of trotting, each zone having the right to elect its own representatives on the committee. I shall move an amendment later to increase the size of the committee by one, the additional member to represent the South Australian Trotting Club. That will still leave the South Australian Trotting League with a majority.

The Bill proposes that there shall be two representatives from the Trotting Club, five from country trotting clubs and one from the Owners, Breeders, Trainers, and Reinsmen's Association. Last week the Council agreed to increase the size of the Metropolitan Abattoirs Board to nine, members taking the view that such a board was not unwieldy. I ask them to consider increasing the trotting executive committee on the same lines. A man in the South-East should have the right to select his own nominee, and this should not be left to people at Whyalla, Port Pirie or anywhere else. It is important that there should be strict control over not only racing but trotting having in mind the magnitude of the turnover in these sports which has increased beyond expectations. I have said before that there is no justification for one town in the State having betting shops when others are denied that right.

The Hon. E. Anthoney—We do not want to see them back again.

The Hon. F. J. CONDON—Then why have them at all? I am not advocating that, but it is Government policy. Parliament is not justified in singling out any particular place, which in this case happens to be my home town. I do not object to their having this concession, but we must take a broader view. In 1950, at the request of the northern division of the Trotting League, the Government altered the principal Act to allow the use of the totalizator. Racing is no good unless this facility is available.

We should not allow the argument of city *versus* country to come into the question of control of trotting, but unfortunately we appear to have reached the stage where we are prepared to give to certain sections what we are not prepared to give to others. It is wrong that a trotting club which races 35 times a year and raises considerable sums for charity should have such small representation as proposed under the Bill. The present controlling authority is perhaps unwieldy because it is lopsided. Generally in Parliament we consider such matters on the basis that those who have the most interests at stake should be represented accordingly. It is therefore only fair to increase the city representation on the Trotting League by one, and this will then result in five representing the country, three the metropolitan area, and one the Owners, Breeders, Trainers and Reinsmen's Association.

Another matter mentioned in the Bill is that of unclaimed dividends. The Government has included a provision which would enable a person who had lost or destroyed his totalizator ticket the right, within a prescribed time, to apply to the Treasurer for the payment of his dividend.

The Hon. E. Anthoney—During what time?

The Hon. F. J. CONDON—At present the time is two months, but it is being extended to 12 months. However, I think he would have to wait for 12 months before the matter is finally decided. No payment should be made immediately because the rightful owner might have lost the ticket, although he has no proof of it. I have referred to this matter on several occasions and I am pleased to know that the Government must have given some consideration to what I have said.

This is a Bill that can well be dealt with in Committee. I am in favour of most of its clauses. I ask honourable members to look at the penalties provided and study the last four or five clauses to see what they really mean, so that in Committee they will have the opportunity to enlarge on them. In my opinion the representation on the Trotting League should be altered, and there should be zoning with each zone having representation on the league.

The Hon. E. H. EDMONDS (Northern)—This Bill contains three matters of importance. I agree with Mr. Condon that there should be no objection to extending facilities to conduct trotting meetings at night-time on Eyre Peninsula. It will be remembered that two or three years ago the Act was amended to provide that additional trotting meetings could be held on Eyre Peninsula, but no provision was made for a totalizator to be used at night meetings. At present the only clubs likely to be affected by this amendment are those at Port Augusta and Whyalla, because to conduct night trotting meetings requires adequate lighting facilities that I cannot conceive would be available in centres other than those. Other smaller towns have trotting and sporting clubs with lighting facilities, but they are not of sufficient strength to conduct trotting meetings. In these districts an interest and enthusiasm has been built up amongst people associated with trotting, and anyone who cared to look at the programmes of meetings conducted in those towns would see that they get good support from the owners and the public, who seem to appreciate the facilities provided. These people are entitled to the facilities that exist elsewhere when they are in a position to have them.

Another matter contained in the Bill is the alteration in the executive committee to control trotting. I quite agree with honourable members who have stated that the present set-up is unwieldy and top heavy. As far as I have been able to ascertain from inquiries made throughout the country, there is no serious objection to the proposed alteration, which I understand is a result of agreement after conferences held between the respective parties.

I have a good deal of sympathy for the point put forward by Mr. Condon about the representation of different interests. However, although I appreciate that the Trotting Club is the parent body of this sport in the State and provides the biggest meetings and stakes, it must be remembered that a good deal of patronage comes from the country districts, particularly in relation to the horses participating. Although I cannot say definitely what that percentage might be compared with the metropolitan area and adjacent districts, I know those in the country are ardent supporters of the city meetings. Having regard to the fact that the Bill provides for representation on the basis of two from the Trotting Club, five from the country clubs and one from the owners, breeders and reinsmen, it seems to me that no objection could be raised to one more representative from the Trotting Club on the league. However, I am prepared to wait until other opinions are expressed and to keep an open mind on the subject. I will consider the matter again when it is before Committee, but at present I am prepared to accept the representations in the manner I have indicated.

Regarding the extension of time in which totalizator tickets can be cashed it seems to me that the basis of the contract between the totalizator and the bettor is the ticket, because, unless that can be produced, how can anyone hope to support his claim? It is all very well for him to say he has made a wager, but without a ticket what evidence can he produce? The authority making the decision would have to be very careful because anything could be put over unless there were some sure safeguards against wrongful claimants collecting any money. The only way in which proof of a bet can be given is by the production of a ticket. Mr. Condon might intimate in what way he considers the matter could be dealt with. It would be almost impossible for a person making a wager to have a witness with him to swear that he saw the wager being made, and that the man who made it received a ticket of a certain number on such and such a horse. Even if that could be done it would still be flimsy evidence.

The Hon. F. J. Condon—That could be done today, but no consideration would be given because no power exists to make a payment without production of a ticket.

The Hon. E. H. EDMONDS—If the power did exist, what I have mentioned would be the most elementary way of establishing a right to a dividend. It seems to me that if the bettor is foolish enough to mislay his ticket, it is his bad luck.

The Hon. K. E. J. Bardolph—In other avenues a statutory declaration can be made.

The Hon. E. H. EDMONDS—Yes, but the same conditions would apply, and the person could not make a statutory declaration unless he had knowledge of what he was declaring.

The Hon. K. E. J. Bardolph—The claimant could.

The Hon. E. H. EDMONDS—That is all very well, but he would have to have more evidence than that a certain amount was invested on the totalizator. I can see possibilities of all sorts of ramps being worked in such cases. We know that the majority of people who patronize these sporting fixtures are reputable, but there is a certain element that would not lose any opportunity to get something for nothing, and any suggestion along the present lines could cause all sorts of trouble. If a person wants to make such a claim he should have definite evidence, and that should be the production of the ticket.

The Hon. K. E. J. Bardolph—It is already in the Bill that he can claim.

The Hon. E. H. EDMONDS—Yes, but the amendment provides that the ticket must be produced. Mr. Condon suggested that if a person did not have a ticket he would still have the right to make a claim.

The Hon. F. J. Condon—I think the Bill gives that right.

The Hon. E. H. EDMONDS—Then I will be pleased to hear the honourable member if he can amplify the matter because I feel that unless the ticket can be produced the claim is not worth very much.

The Hon. F. J. Condon—If a person has a ticket he has no need to go to the Government, because he can make a claim.

The Hon. E. H. EDMONDS—He could mislay it for six months, and although he could not collect it previously after two months, he will be able to do so under this measure. If the amendment is carried the money may be collected within a period of 12 months, but the bettor still must have the ticket, and unless I am convinced to the contrary I cannot agree to the honourable member's suggestion.

The Hon. R. R. WILSON secured the adjournment of the debate.

COMMONWEALTH WATER AGREEMENT RATIFICATION ACT REPEAL BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1502.)

The Hon. F. J. CONDON (Leader of the Opposition)—Once again I draw members' attention to the fact that this is retrospective legislation to ratify an agreement made in 1952. I well remember when in 1940 the Commonwealth Government refused to meet the wishes of the South Australian Government regarding financial assistance in connection with the then proposed Morgan-Whyalla main, and I refer to a letter received on March 5, 1940, from the Prime Minister (The Right Honourable R. G. Menzies) by our Premier. It was as follows:—

I refer again to your letter of the 9th February in which you ask that the Commonwealth Government give consideration to the provision of financial assistance for the proposed water reticulation scheme at Whyalla by the purchase of water for railway purposes to the extent of some £25,000 to £37,500 per annum.

Whilst my Government was giving very sympathetic consideration to the rendition of some assistance in connection with this project, any such assistance would necessarily have been dependent upon the establishment of the tin-plate industry at Whyalla. It would now appear that the probability of establishing the industry at Whyalla is somewhat remote. You mention the fact that the Broken Hill Proprietary Company Limited is undertaking the establishment of shipbuilding at Whyalla. I doubt, however, if this would warrant the Commonwealth in assisting as desired . . . Under the circumstances I fear that I cannot hold out any hope at present of giving financial assistance to the scheme, but perhaps it could be brought forward at some future date should, say, prospects of the tin-plate industry being established at Whyalla become a probability.

At that time there was a difference of opinion as to the financing of the projected Morgan-Whyalla main and the Public Works Standing Committee was somewhat disturbed by that reply. The main of course, came to fruition and has rendered an immense amount of service to the people in the northern areas, and the Murray water has been extended even to Yorke Peninsula and Woomera.

The Hon. E. H. Edmonds—There would have been disaster without it.

The Hon. F. J. CONDON—Exactly, and in the near future I have no doubt that we will be called upon to duplicate the main. In 1940 it was estimated that the main would cost £3,120,000 and it was actually constructed for a little over £3,000,000. In order to help the scheme the Broken Hill Proprietary Company

agreed to pay 2s. 4d. a thousand gallons, compared with the 1s. 8d. a thousand gallons charged to ordinary consumers in other districts, and we then faced the question of whether the Commonwealth Government could be persuaded to assist the State in some way. A huge main 238 miles long was unheard of in those days and it was necessary for the State to get every possible assistance in order to make the scheme economically possible. Finally, the Commonwealth Government agreed to pay the same rate as the Broken Hill Proprietary Company.

The Hon. E. H. Edmonds—Did it make any contribution towards the capital cost?

The Hon. F. J. CONDON—No. However, the water was subsequently carried to Woomera and, no doubt because the Commonwealth Government now realizes the importance of this service, it is prepared to accept its financial responsibility and has now agreed to pay 5s. 1d. a thousand gallons. All that this Bill does is to ratify an agreement between the Commonwealth and the State similar to that entered into in 1940, but embodying the higher charge. I support the second reading.

The Hon. W. W. ROBINSON (Northern)—This Bill repeals the agreement entered into by the Commonwealth Government and the then Commissioner of Waterworks, now the Minister of Works, to supply water to Port Augusta and adjacent areas. Before making an assessment of the Bill which, in the light of more recent developments, may appear somewhat unsatisfactory, I ask members to take their minds back to the 1930's prior to the construction of the Morgan-Whyalla main. People in the northern areas had for many years suffered total restrictions on the use of water for gardening purposes with the result that many trees and gardens died out completely. The annual conferences of the northern district councils always had on the notice paper the hardy annual of the supplying of water from the Murray, and about 1937 the engineer for the district, Mr. Campbell, was asked to address the conference on the economics of the question. He put forward such a gloomy case that we concluded that the scheme was outside the range of practical politics. Amongst other things he pointed out that the total value of all land within one mile of the proposed route on either side would not equal the cost of the main, so we then realized that the probabilities of getting Murray water were somewhat remote.

However, in 1940 the agreement in question was entered into for a term of 20 years, and there was a sister agreement with the Broken Hill Proprietary Company for supplying water to Whyalla. The populations of the towns of Port Pirie, Whyalla and Port Augusta have increased by more than 12,000 since the advent of this service, and altogether the benefits conferred upon the area have been very great indeed. For instance, it is estimated that in the under average years of 1944-5 the gain to the people in that area was more than the cost of the main. The agreement provided that the minimum amount to be paid by the Commonwealth in respect of any year should be based upon the loss incurred by the Minister of Works in connection with the operation of the main during that year, on the following basis:—(*a*) If the loss were more than £75,000 the Commonwealth should pay £37,500 and (*b*) If the loss were more than £50,000 but less than £75,000 the Commonwealth should pay the sum by which the loss exceeded £25,000. These contributions, plus the amount paid by the Broken Hill Proprietary Company at Whyalla, made the scheme a reasonably economic proposition.

Although the agreement was for 20 years the Bill before us repeals it and ratifies a new agreement made in 1952 and to that extent is retrospective. I assume that it must have been entered into at the time the supply was extended to Woomera. The old agreement provided for the supply of 3,000,000 gallons of water a week, or 150,000,000 gallons per annum, at 2s. 4d. a thousand, whereas the new agreement provides for the supply of 4,500,000 gallons a week, or 225,000,000 gallons per annum at a cost of 5s. 1d. a thousand gallons. I feel sure the Bill will result in an advantage to the State and I therefore have much pleasure in supporting the second reading.

The Hon. E. ANTHONEY (Central No. 2)—I agree with Mr. Condon that there is an element of reciprocity in the measure. Apparently some agreement was made with the Commonwealth in 1952 and this arrangement appears to have been continuing, but under what authority I hardly know. There must have been some legal enactment to permit the Commonwealth and the State to continue the scheme, but it is not apparent under what legislation. Very little has been said during the debate about the magnitude of the Morgan-Whyalla scheme. Many of us were present when the scheme was inaugurated. I understand that up to that time the Broken Hill Proprietary Company carried the town's water requirements in the form of ballast in ships

travelling between Newcastle and Whyalla. I pay my modest tribute to the company for what is has done and for its willing co-operation in making the scheme possible. It has proved of great value to local industries and has met domestic water requirements. It appears that any future adjustments in the price of water are to be arranged between the Commonwealth and the State by correspondence. This seems a peculiar way of operating the business of the country, rather than having legislative provision. It would appear to be a departure from the usual procedure. Most of us have bewailed the fact that our country water schemes are a losing proposition, but the Morgan-Whyalla water will be paid for on the basis of cost. That is a particularly good move. I support the second reading.

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

WATERWORKS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1501.)

The Hon. F. J. CONDON (Leader of the Opposition)—Although it is a Bill of only a few clauses it is a very important one because it alters a system which has been in operation for many years. It proposes to increase water rates in country areas, a move which is long overdue. I have previously referred to the policy of those in authority not increasing country water rates at a time when people could well afford to pay it. With a reduction in the overseas demand for our primary products and a consequent falling in prices, the question arises whether these people are now in as good a position to meet these increased charges as they were within the last few years. The rate of 4d. an acre still applies on some of the best lands in the State. As has been done in other Bills this session, the Government is increasing charges at a time when the prices of our primary products are on the down grade. During the past four years in particular producers have been fortunate in receiving record prices for their wheat, wool and other primary products, but now we hear talk about subsidies for various industries, and in this regard Mr. Wilson mentioned poultry farmers. He suggested that the time might not be far distant when they would require assistance.

The object of the Bill is to raise additional finance to meet the cost of country water schemes. A move in this direction should have been made a considerable time ago. The present rate varies from 4d. to 7d. an acre according to the unimproved value of the land. A minimum of 4d. is payable where the value of the land does not exceed £2 2s. 5d. an acre and the maximum rate of 7d. applies to land the value of which is £3 7s. 6d. an acre or more. The present rates are not sufficient to meet working costs, and that has applied for a number of years. Some of our water schemes have never paid working expenses, but nevertheless they have been a definite asset to the country. This must be considered when taking into account any water proposal. If we were to turn down every water scheme on the ground that it would not meet expenses we would have none.

The total deficit in country water districts last year was £778,713. The only country water schemes which succeeded in meeting working expenses (excluding debt charges) were Barossa and Morgan-Whyalla. Other country water districts failed to meet their commitments by £321,496. The net working account deficit (excluding debt charges) for all country water districts was £272,746. The percentage of working expenses to earnings ranged from 79 per cent for the Morgan-Whyalla scheme to 362 per cent for the Tod River district. Whether those who are to be asked to pay the increased rates are in a position to do so remains to be seen. I hope it will not prove a hardship to anyone and that they will be able to meet their commitments. I support the second reading.

The Hon. R. R. WILSON (Northern)—I think it has been proved in recent years inevitable that there must be an increase in water rates. The Bill provides for this in country districts only. It has often been stated in this House that water has been too cheap. While I appreciate what Mr. Condon has said, I do not entirely agree with his remarks. The provision of cheap water has enabled country districts to be developed. However, we must face realities and the cost of water services must be met by those who receive the benefit. The Auditor-General's Report shows that there was a deficit of £802,335 on our water schemes last financial year, £23,642 being for the Adelaide water district and the balance £778,713 on country areas. Water supplies and services were never really intended to make a profit but the indirect revenue cannot be assessed because the greatest asset to the country for both primary and secondary production is water. It also assists decentralization because we cannot expect this to be brought about without adequate water and power supplies.

In my early days I was taught many lessons about wastage of water. At Ardrossan we had to carry water in a 600 gallon tank for five miles on a waggon. I also experienced shortages of water in the Sinai campaign, during which we were allowed one bottle of water a day. I have seen men die of thirst and it is one of the most distressing things that could be witnessed. Early this morning I was watering my garden when the milkman came along and said, "I wish you people in the Legislature would do something to prevent the wastage of water by people who leave their sprinklers running all night because they have no meters." It is a waste to leave sprinklers running all night and I hope legislation will be introduced to combat it. I realize that there is a shortage of meters, and until it is overtaken wastage will occur.

For as long as I can remember the country water rate has been 4d. an acre. A surcharge of 3d. was levied during the war but that was removed. The Public Works Standing Committee recommended that two and a half times the normal rate should be applied to the extension in the hundred of Shannon, and this was accepted by those who were to receive the benefit of water. No complaints have been made since, because these people realized that water is worth much more than it was in the past. However, there is an anomaly in this matter in that the land for one mile from the Tod River water main is not ratable. The extension cost about £6,000 a mile of four inch pipe and the revenue for each mile is only £53, which a very low figure considering the cost of establishing the amenity.

One of the greatest problems in extending water supplies to various districts is that it has to be conveyed through unproductive country, and no matter what type of country it is, rates have to be paid. Many districts are still waiting for reticulation schemes but I do not feel the Government will be able to continue with them without increasing charges, but whatever the increase is I hope it will not be too steep so as to cause inconvenience to many people. This Bill will enable people to receive this most important amenity and I therefore have much pleasure in supporting it.

The Hon. E. ANTHONEY secured the adjournment of the debate.

BUILDING CONTRACTS (DEPOSITS) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1502.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—This is only a short measure, brought about by circumstances that have arisen quite recently that are not within the province of members of Parliament to discuss. It permits persons who enter into contracts either with agents or builders to lay a complaint within 12 months, instead of six months as provided in the Act. This gives home builders a further six months to take action if anything untoward happens. The Act provides that deposits paid to a builder shall be placed into a trust account and any accrued interest shall become the property of the owner, which is quite justified. I think that this provision, which exists in the Act governing legal practitioners, who have to have a trust account that must be audited every year, should apply to deposits in any matters to give protection to the people paying them. It should not be necessary to enact this provision in all types of legislation to cover circumstances when they arise. I support the second reading.

The Hon. C. D. ROWE (Midland)—The Building Contracts (Deposits) Act was a new Act placed on the Statute Book last year. It became necessary because it was found that certain builders had accepted deposits from home builders and others and had apparently appropriated those deposits to other contracts. Some home builders found that when the time came to commence building the builder had used their money to erect other structures. In some cases the contractors became bankrupt and the purchasers lost their money. For these reasons the Act was passed to provide that when a deposit was paid to a builder to erect a home or make any alteration or additions to it the contract had to state certain things, amongst them that the building had to be commenced within a certain time and that the deposit had to be paid into a joint account in the name of the builder and the owner; if not the contract was voidable. Irrespective of whether a contract contained this clause, it was still obligatory under section 3 (2) for the money to be paid into a special purpose account and to be retained there. As the Act stands, any prosecution for an offence must be taken within a period of six months. This Bill provides that a complaint may be made within 12 months from the time when the matter of complaint arose. It seems to me that this is only reasonable and I feel there can be no objection to its inclusion in the Act.

Now that it is easier for people to obtain builders it seems to me that the necessity for paying large deposits must have evaporated, and I warn anyone not to pay a large deposit before work is commenced. It may be

necessary to pay a small nominal amount of, say, £1 or £10 to bind a contract, but I can see no reason why a person should pay a large amount to a contractor until work is commenced or is on the point of commencing. People would be well advised to protect themselves by not getting into the position in which they have to take advantage of this Act. The right to bring a prosecution within a period of 12 months instead of six months is an advantage, so I have much pleasure in supporting the second reading.

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

WHEAT INDUSTRY STABILIZATION BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1504.)

The Hon. F. J. CONDON (Leader of the Opposition)—One of the biggest blunders made in connection with the wheat stabilization scheme was the omission of the United Kingdom from the International Wheat Agreement. The British Government was not to blame, for it was forced out of the agreement by the greed of other countries, including Australia, in demanding the last penny for their products, and Britain today is going to other countries for wheat and flour. I think members will admit that the statement in today's press by the Commonwealth Treasurer regarding the position of our primary products overseas is most alarming. We are informed that America is unloading her surplus products, including wheat, and I can see nothing but subsidies to meet the losses that will be sustained in this country through America's action in selling at a lower price than was fixed by the agreement. Australia is paying dearly for that mistake. When the Wheat Marketing Ballot Bill was before us I submitted that it would be necessary to introduce another Bill in order to ratify that agreement, but I was told that that was not the case. However, we have before us a Bill today for that purpose—not that we can do anything with it; we are merely rubber stamps, because all we can do is to ratify an agreement already made between the Commonwealth and State Governments. I am supporting the measure because it is in the interests of those concerned.

I was also told that some provision would be made to help the flour milling industry, but is there anything in this Bill dealing with that? Although we cannot amend the Bill who wants to reject it? If that were done we would find ourselves again in the same position as we were last year when one State refused to fall into line with the others. I fear that in view of the falling prices overseas South Australian primary producers are facing a worse position than they have for many years. I hope that my estimation of the situation is wrong, but consider the position in the canning, wine, egg, flour-milling and wheat industries. Other countries do not want our products because they can get them more cheaply elsewhere.

In order to put the wheat industry on a sound basis we agreed to increase the price of bread by 1½d. a 2-lb. loaf and the price of wheat from 12s. 7d. to 14s. a bushel for home consumption. I am not objecting to that, and I hope that the farming industry can maintain the present price, but in view of overseas conditions that remains to be seen. The fact that every bread consumer paid 1½d. more for each 2-lb. loaf has put £3,000,000 into the pockets of the farming community of South Australia, which shows that the general consumer realizes the importance of the farming community and is desirous of assisting it. I would be happy if I thought that some other industries were being assisted and I still hope that, at some time in the future, we will get out of our troubles.

The Hon. S. C. Bevan—Bran and pollard cannot be bought now.

The Hon. F. J. CONDON—No, and the position will become worse. Only yesterday I had three requests from country people to assist them in getting supplies of bran and pollard, but it is impossible.

The Hon. S. C. Bevan—It means using substitutes.

The Hon. F. J. CONDON—They are not very satisfactory. I think bran and pollard are more palatable to stock than anything else. Criticism of the Wheat Board does not mean condemnation; I have full confidence in it and I hope that the board will continue to function for many years. It is faced with difficulties, but it is doing a good job and I trust that it will also do its best in the interests of the manufacturing side which means so much to South Australia. Subsidies have been granted to other industries and, although no-one likes them, sometimes they are necessary. We know what the taxpayers are contributing towards the increased price of tea.

I am not concerned about the clauses of this Bill because one could talk for a week and get nowhere. I can only express the same opinion that I have expressed over the past two years. The Bill is in the interests of the farming community and therefore of the State as a whole and consequently I support it.

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

LEIGH CREEK NORTH COALFIELD TO MARREE RAILWAY AGREEMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1505.)

The Hon. S. C. BEVAN (Central No. 1)—This Bill is one that can be supported by all members as it provides for the extension of the broad gauge railway line as far as Marree, which has advantages not obtainable at Leigh Creek. It has a water supply and a common where cattle can be rested before they are trucked. The narrow gauge line has passed its usefulness to South Australia and we should press for the conversion of the whole of the line and, indeed, its extension. This is warranted as it would open up vast areas of the Northern Territory and would be of invaluable assistance in developing the uranium fields in the far north, to say nothing of its value as a defence project. Marree has always been an important cattle trucking centre. It is the terminus of the Birdsville stock route from the channel country, over which cattle are brought from as far afield as the Northern Territory for trucking to the Adelaide market.

Farina will also benefit by the extension of the broad gauge line. At one time it was a fairly big sheep trucking centre as it was surrounded by large sheep runs and stock were also brought from as far away as Cordillo Downs in the extreme north-east corner of the State, adjoining the Queensland border, as well as from Murnpeowie, and stations closer in such as Lyndhurst. Those old sheep stations have been converted to cattle stations, but still fairly large numbers of stock will be trucked from Farina. The extension of the broad gauge will eliminate a considerable amount or suffering by stock on their way to the market and shorten the time of travel. On the narrow gauge line stock were rarely watered during the trip and when they reached the Adelaide market they were often not in a marketable condition. This proposal will eliminate all that as the cattle will be trucked to the city under far more favourable conditions and a considerable amount of bruising will be eliminated.

My only criticism is that the agreement was not reached between the Commonwealth and the State Governments when the line was being constructed from Stirling northwards to Brachina and Leigh Creek. Had the Governments agreed to this project at the time there would have been no necessity to go back to do the work now and we would consequently have had the benefits of the broader gauge in the interim.

The Hon. E. H. Edmonds—Do you think we would have got this extension any quicker?

The Hon. S. C. BEVAN—That is only natural. The Commonwealth Government should have lived up to its original agreement and completed the line. I urge the Government to press for this being done. In his speech the Minister mentioned that the Bill would cover deviations up to four miles, but the schedule mentions deviations "not exceeding five miles." I suppose we can assume from that that it will apply to deviations of five miles on either side of the line as considered necessary. In this respect I have in mind small communities which were established between the Leigh Creek north coalfield and Marree and, I hope the Commonwealth Railways Commissioner will deviations which would unnecessarily by-pass them and thus cause them inconvenience. The completion of this line will result in great advantages to stock people in the far north and also stock buyers in Adelaide. The stock will reach the market much more quickly and in far better condition than under present circumstances. I support the second reading.

The Hon. E. H. EDMONDS secured the adjournment of the debate.

HIGHWAYS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 24. Page 1505.)

The Hon. F. J. CONDON (Leader of the Opposition)—It is not often that we see a Bill with only two clauses, as in this instance. The measure is not of much significance, but will result in the Government receiving added revenue for use on roads. Under it the Municipal Tramways Trust will pay an increased contribution from .17d. to 1d. for each mile travelled by its buses. This money will be paid into the Highways Fund. The trust is on a very good wicket in that it does not pay motor registration fees. It will have to pay under the increased rating approximately what it would ordinarily have to pay were it compulsory for its vehicles to be registered. The increased

charge will amount to about £130,000 a year. As against the previous practice of paying the amount yearly, the trust will now be compelled to pay each month. Some of the money will be used for maintenance of lighting on the roads used by trust vehicles. I support the second reading.

The Hon. E. ANTHONEY secured the adjournment of the debate.

TRAVELLING STOCK RESERVE: HUNDRED OF BARUNGA.

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

That it is desirable that sections 747 and 748, hundred of Barunga, containing 22 acres, which were set aside many years ago as a camping ground for travelling stock as shown on the plan laid before Parliament on July 27, 1954, be resumed in terms of section 136 of the Pastoral Act, 1936-1953, for the purpose of being dealt with as Crown lands under the provisions of the Crown Lands Act, 1929-1944.

BULK HANDLING OF WHEAT.

The PRESIDENT laid on the table the second progress report of the Parliamentary Standing Committee on Public Works on the bulk handling of wheat.

METROPOLITAN WATER SUPPLY.

The PRESIDENT laid on the table the first progress report of the Parliamentary Standing Committee on Public Works on the Myponga reservoir and trunk main (Darlington storage tank).

ADJOURNMENT.

At 3.53 p.m. the Council adjourned until Tuesday, November 30, at 2 p.m.