

**LEGISLATIVE COUNCIL.**

Wednesday, June 29, 1955.

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

**QUESTIONS.****TRANSFER OF TOTALIZATOR.**

The Hon. F. J. CONDON—I ask leave to make a statement with a view to asking a question.

Leave granted.

The Hon. F. J. CONDON—If the statement appearing in the press that it was illegal to transfer the totalizator from Morphetville to Victoria Park next Saturday is correct, it appears there is some anomaly in the Lottery and Gaming Act. Owing to the recent heavy rains, it is expected that it might be necessary to hold next Saturday's meeting at Victoria Park. The Crown Law authorities have expressed the opinion that the Commissioner of Police has no power to transfer the totalizator licence. Will the Government therefore introduce an amendment to allow transfers to be made? I understand that it can be done for country races. Can the Chief Secretary give the Council any information, and if not, will he take the matter to Cabinet in order that an amendment of the Act may be considered?

The Hon. Sir LYELL McEWIN—The comment supporting the question is news to me, and I was not aware of any problem although I did see a picture in the press showing a certain area of the Morphetville racecourse under water. I know that permission to transfer totalizator licences has been granted on many occasions in regard to country race meetings. In fact, only this week I had an inquiry concerning the Legacy charity meeting to be held at Balaklava today. It could have been held elsewhere and the licence transferred had not the weather fined up. If that alternative exists in the country and not in the metropolitan area, then I will look into it. The question has not arisen in my experience. I can assure the member that I will have the matter examined, because it appears that if it is right in one instance then I think there is some argument to observe the same conditions in applications in the metropolitan area.

**RIGHT OF WAY AT TRAFFIC ISLANDS.**

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

Leave granted.

The Hon. S. C. BEVAN—Some time ago a statement appeared in the press that a motorist continuing on a straight course had the right-of-way over a motorist who was making a diversion across his path. An illustration was given, using the corner of South Road and what is known as Shepherds Hill Road, which is a continuation of South Road, where there is a bend which continues on to Victor Harbour. The interpretation given at the time was that a motorist going down Shepherds Hill Road on to South Road had the right-of-way over motorists going to Victor Harbour along the South Road. This week a judgment was given in the Supreme Court regarding the question of the right of way of motorists making a turn across the path of another motorist at the traffic island at the intersection of South Terrace, West Terrace and Anzac Highway. It appears that considerable confusion has been caused by the recent interpretation in view of the previous ruling on the subject. Will the Chief Secretary give this matter attention and clarify the interpretation for the information of motorists?

The Hon. Sir LYELL McEWIN—Traffic control is rather an involved question. The Minister of Local Government has certain interests in regard to traffic islands, the Premier has certain associations, but the Chief Secretary has none. As a motorist I have tried to follow the subject, but have not discovered that any problem has arisen. As to the diagram referred to, apparently I have not observed the problem in the same light as the honourable member.

The Hon. C. R. Cudmore—If they had one circular island as they do everywhere in England, would it not be better?

The Hon. Sir LYELL McEWIN—It has not been my privilege to see them. It seems to me that they have sorted the position out well wherever the islands are situated. As to the point on which a decision was given yesterday, the traffic along West Terrace was already off the line and turning into Anzac Highway, and was thus in the lane of traffic on the right of traffic travelling north along Goodwood Road and therefore had preference. It is a good idea for motorists to concentrate on watching traffic on the right; if everyone observed the rule of giving preference to traffic on the right, we would not have half the accidents we have today. I will give consideration to the matter raised by the honourable member.

## FOOTROT IN SHEEP.

The Hon. L. H. DENSLEY—Can the Chief Secretary provide any information on whether anything is being done to include the disease known as footrot in sheep as a notifiable disease under the Stock and Poultry Diseases Act, and if not, will he inquire from the Minister of Agriculture?

The Hon. Sir LYELL McEWIN—I have no immediate information but I shall bring the question before the notice of the Minister of Agriculture.

## BULK HANDLING OF GRAIN BILL.

Adjourned debate on second reading.

(Continued from June 28. Page 450.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—First I desire to compliment the Leader of the Opposition and other members who have taken part in this debate. I agree with the observations made by some members about the indecent haste with which the Government is attempting to have this measure passed through this Chamber without giving the responsible representatives of the people a longer period in which to study all the implications that may arise if it becomes law. I subscribe to the sentiments expressed by the Leader of the Opposition about displacement of labour. It appears to me that the Government has not gone into the true economics of the industry in so far as it affects various areas, particularly Wallaroo, where the first unit will be constructed.

The Hon. E. Anthony—That is a reflection on the Public Works Standing Committee.

The Hon. K. E. J. BARDOLPH—I am not reflecting on that Committee; I pay the highest tribute to its members. It is not the responsibility of the Committee but of the Government which formulated the proposal and submitted it to us. All the Committee did was to inquire into various aspects of the proposal, as the honourable member should know. This Bill could be described as a "hustle bustle Bill." I do not wish to reflect on those responsible, but it was introduced into the House of Assembly before the report had been submitted. I do not have to remind members of the hurry and flurry of various members of the Government to have the Bill put through the House of Assembly last week. The Committee is not responsible for any delay nor is it the sponsor of the Bill: all it did was to make a report, which is its responsibility under the Act.

The Hon. Sir Lyell McEwin—Why not be more definite in your charges?

The Hon. K. E. J. BARDOLPH—I am not making charges, only observations.

The Hon. Sir Lyell McEwin—The honourable member could use a little more discretion.

The Hon. K. E. J. BARDOLPH—I do not see how I have been indiscreet.

The Hon. Sir Lyell McEwin—You referred to indecent haste.

The Hon. K. E. J. BARDOLPH—And I repeat that. The Government has been too hasty in submitting this proposal to Parliament without giving members of both Houses sufficient time to consider the implications that might arise from the passing of the Bill. I hope that phraseology will suit the Minister. He could not say that my statements in that regard are not true. Perhaps he could say in his reply why this proposal was not submitted to the Industries Development Committee, because on all other occasions when the Government has guaranteed large sums of taxpayers' money for the expansion of industries, the setting up of new industries or their maintenance, that Committee has dealt with the matter. In this Bill we are asked to give a guarantee to the Co-operative Bulk Handling Company of £500,000. Members of the Labor Party fully subscribe to co-operative movements, and the Government has given considerably higher guarantees to other big industries. However, those proposals had first to be submitted in detail to the Committee set up to make investigations, and after that Committee had made its decisions it submitted reports to the Government. That has not been done on this occasion, although this matter is just as important.

The Labor Party supports any measure that will assist primary producers and this was fully exemplified during the war. The Federal Government then negotiated certain agreements with countries dealing with us, and while primary products were at a low price these were successful in raising the price to the benefit of Australain producers. The Labor Party has not changed that viewpoint or its policy; it believes in the bulk handling of grain because it believes in assisting primary producers. As the Leader of the Opposition said yesterday, Labor in this Chamber will support the second reading in order that the Bill may reach the Committee stage. If any amendment that is submitted then is considered by the Opposition to be in the interests of the industry it will give it the fullest consideration. Mr.

Cudmore raised several pertinent points yesterday, with one of which every member will agree; as a legislative body we are asked to pass this measure not knowing the articles of association of the company nor having before us the agreement signed by wheat producers representing 13,000,000 bushels. We should have that information in order to be able to determine whether this Bill is in their interests and that of the State generally. That is the very kernel of the measure.

Last year the total Australian wheat crop was 160,000,000 bushels, on which the Wheat Board advanced £90,000,000 sterling. Of the total crop the board has sold in overseas markets wheat to the value of only £46,900,000, at an average price of 14s. a bushel. In world markets our wheat is sold as f.a.q. quality, whereas Canadian and American wheat is graded. We have lost quite an amount of world trade because we cannot guarantee the 7 per cent, 9 per cent or 14 per cent protein content required by various countries. This has occurred because we have not graded our wheat, and this Bill makes no provision for doing so, for it is proposed to use horizontal instead of the conical bins that are used elsewhere. The success of the Barley Board is due to the fact that barley is classified into seven grades.

The Hon. N. L. Jude—Is the honourable member aware that both barley and wheat have been handled in bulk at Ardrossan?

The Hon. K. E. J. BARDOLPH—I am also aware that barley has to remain in bags for three weeks before it is put into bins because it must breathe. These are technicalities which members have not had placed before them. The production of barley is overtaking that of wheat, and I am reminded of a statement by the Minister in another place, as reported in the *Advertiser*, which I take to be authentic, as follows:—

On present indications it would be safe to grow a little more barley in Australia and a correspondingly smaller amount of wheat.

It is true that the area sown to wheat in Australia is diminishing because primary producers are going in more for sheep and other lines and avoiding the laborious work associated with growing wheat.

The Hon. J. L. Cowan—That is why they want bulk handling.

The Hon. K. E. J. BARDOLPH—If bulk handling is to be introduced it should be for the benefit of the farmer, and no company should be given a virtual monopoly until we know what the benefit will be to the State.

Although Labor supports the principle of bulk handling it does not support such a hotch-potch scheme as the Government is attempting to rush through today.

Turning to some of the details of the measure, the scheme envisages that a toll of 6d. a bushel shall be paid on every bushel of bulk wheat delivered to the company by the signatories to the agreement, but that those not party to the agreement will get a fair deal and will not have exorbitant charges imposed upon them. On my rough method of calculation, even allowing 8 per cent on the 6d. a bushel toll, it would pay the farmer to keep out of the company because he would then be paying only, say, ½d. a bushel for the handling of his products. The whole thing needs more investigation. By interjection I was asked what country refused to buy our wheat and desired different grades. It may be of interest to members that Japan is a big purchaser of our wheat and wants a 14 per cent protein content. She will buy a lower grade provided it is a regular standard of quality, which we cannot give and which this scheme will not be able to guarantee. We have lost our markets on the east coast of Africa where they are anxious to buy our wheat, but want a guaranteed 7 per cent standard protein; under this Bill we cannot give it to them. Wool is now practically our only primary product which furnishes our overseas credits. Australia is fast becoming an important secondary industry country, and manufacturing provides the bulk of our internal finance. Our rural industries are lagging because we are losing our markets, but this Bill will not help us to regain them.

The Hon. E. H. Edmonds—Assuming there will be no grading.

The Hon. K. E. J. BARDOLPH—The Bill does not say there will be any grading. It has been suggested that horizontal bins will be used. These have proved a failure in Western Australia. Vertical bins, which are used in Victoria and New South Wales, enable the wheat to be disinfected for weevil and turned, but this cannot be done with horizontal bins.

The Hon. R. R. Wilson—Then, why are they still erecting horizontal bins in Western Australia?

The Hon. K. E. J. BARDOLPH—If the honourable member inquires he will find that those in a position to know better than we do have changed from horizontal to vertical bins. Australia has been endowed by divine Providence with all the needs for our material existence, and this country has been blessed in

that it is able to produce the best wheat in the world. The statement of experts that our wheat sells better on the world markets because of its better bloom and its white texture cannot be denied. I am not degrading our product, but under our plan we shall not have graded wheat. The question of bulk handling affects not only the wheatgrower, but indirectly the workers' table. If this scheme does not turn out as expected, the price of wheat will be affected and as a result the price of bread, and thus the working man will have to pay for this scheme, which has not been properly explained to members. Why has it been treated as a first priority and with such haste? It is a rush measure. This has been stated by members in both Houses. It is too important for us to attempt to consider it in an atmosphere of such reckless abandon, because it affects the position of the workers, as mentioned by Mr. Condon, and can extend to areas where bulk handling units will be established and result in many men being displaced from employment.

I know that some will be thinking that we cannot be like King Canute and attempt to stem back the waves. We must march forward with progressive proposals. The economic effect on the employment of men in the industry should have been considered. No statement has been made by the Government that another industry will be established at Wallaroo to absorb those men, who have established their homes there, in some other employment. In view of this position, we should not be ruthless and say that everyone must come in, but make provision to meet any impacts which arise because of this progressive step. It may be said by some that very few will become unemployed as a result of this Bill, but the number affected will be very large. For instance, not only will Wallaroo be affected, but some of the other major ports where bulk handling units are to be established, and also flour mill employees. No special consideration has been given to this aspect.

Doubts have been raised concerning the financing of the scheme, and Mr. Cudmore wanted to know what revolving finance was. We have all heard the old axiom that money was made round to go round, but I have never heard the term "revolving finance." It has been suggested that the finances of the company could quickly become chaotic owing to a number of influences operating which would greatly diminish the amount of toll

money the company hopes to receive. Possibly there may be 5,000,000 bushels a year on which there will be no toll paid, because a charge is to be made only when the wheat is submitted to the bulk handling company. In spite of the fulsome second reading speech of the Chief Secretary there is no guarantee that the toll will be sufficient, or that after a few years the Government will not find it necessary to take over the whole project and run it.

As stated by Mr. Cudmore, a complete monopoly will be given to the company. I would not oppose a Government monopoly, and I agree with the statement of Mr. Densley that any bulk handling scheme should be controlled by the Government. The divisional secretary of the Co-operative Bulk Handling Company has stated that the company would have the services of a leading bulk handling expert, but no statement has been made in the Council as to who that august personage is, who is to set up the various units and who will control them, other than a vague statement by the Chief Secretary as to the formation of the company. The question arises whether a wheat farmer, having subscribed for a period of, say, 10 years, would have any equity in the company, whether he could withdraw and what amount he could take out. They are some of the things on which I should like more elucidation. I support the second reading, but shall consider any amendments submitted in Committee.

The Hon. W. W. ROBINSON (Northern)—I have listened with considerable pleasure to the speeches on the Bill. Recently members have received numerous telegrams and letters asking them to pass the Bill quickly without amendment, but I think it is our duty to resist that attitude and consider the question in all its phases. In 1916, when a system of bulk handling was suggested, a proposal prepared by Metcalf and Company of Canada was submitted. I took an interest in that plan, and am sorry I could not obtain a copy of it so that it could be examined and considered in the light of the experience gained since. It always appeared to me as a wheatgrower that the methods we adopted for the loading and transporting of wheat to the markets were very cumbersome. I need not go back to the time when two men had to lift each bag into a waggon, and another man received it and stacked it. Certain improvements took place and subsequently the elevator, driven by the motor lorry engine, was introduced, and has been a fairly effective method. It has always

appeared to me that the system of bulk handling, making possible the taking of wheat from field to siding by mechanical means, is the ideal method.

When Metcalf and Company submitted their scheme there was some difficulty in transporting the grain to the receiving centre and some disabilities in shipping. It was thought then that the moisture from the sea would affect wheat transported in bulk, but that problem has been overcome. We are now quite satisfied that wheat can be transported in bulk, and in fact almost every wheat-producing or receiving country has bulk handling facilities, with the exception of South Australia, Cyprus and Rhodesia. We are the only State in the Commonwealth exporting wheat that has not the benefit of bulk handling. I know we have some geographical difficulties in that we have a number of ports. However, when the Metcalf plans were put forward we had 22 ports; today we have only six, and as Western Australia has four we are not very much worse off than that State.

I was very interested in statements made by the Hon. T. Pascoe when dealing with a bulk handling Bill in the Legislative Council on September 26, 1916, which proved the mettle of men of those days. He then said:—

The Attorney-General when he spoke of the 29,000,000 acres inside the good rainfall districts in South Australia, which if only half of it was cultivated, might be expected to return 145,000,000 bushels, spoke without any material knowledge of what is the present state of affairs on those 29,000,000 acres. When we take out of that country the land that is not fit for agriculture, because of its roughness, and the towns, the orchards, vineyards, dairy farms, Government road and so on, we take out a very big area which we cannot reckon on to produce any wheat. At present the farmers do not cultivate 50 per cent per annum of the land held by them, because it has been proved that to cultivate a larger proportion would be going too fast for what the rainfall in this State will permit. When we take this into consideration we cannot expect a very material increase in the aggregate wheat return from this particular area. I am of opinion that in the future our farmers will go in for the growing of fodder crops for stock purposes, and for reaping a harvest that will not go through the elevators, but will have a tendency to walk off the farm. If South Australia is ever to overcome the depletion of her flocks and herds, through the periodical droughts that come upon us, we must rely upon the inside country with a good rainfall to stop that periodical loss. That will help not only to increase the output of the farms, but to increase the fertility of the soil.

That forecast has proved to be correct. Today we are inclined to think that that is due to

our scientists and the greater knowledge of our farmers, but the Honourable Mr. Pascoe predicted it, and he has been vindicated in every way. We then had 1,000,000 sheep in the outside country and 2,000,000 in the inside; today we have 2,000,000 in the outside and 11,500,000 in the inside.

I would like to see those responsible for the election of the directors and executive officers give careful consideration to the selection of those who will control the scheme so that it will be placed on a sound basis. Today although machinery comes into the field and strips the wheat, the laborious method of taking the grain out in single bags is used. At least 25 to 33 per cent, or even up to 50 per cent in a heavy crop, could be saved in the time spent on reaping the crop if the wheat could run by gravity into a bin or other receptacle. Also, the wheat is removed from the field, lessening risk from fire. There is a saving in sewing costs of 70s. a hundred bags, which is approximately 3d. a bushel.

The saving in bags for 27,000,000 bushels or 9,000,000 bags at 30s. a dozen would be £1,250,000 per annum, but as some bags will be necessary we would save about £750,000 per annum. This money will be kept in the country, which is a very important aspect. As against this amount a toll of 3d. a bushel on 13,000,000 bushels will be paid, bringing in about £165,000 per annum. In subsequent seasons 6d. a bushel will be paid by those using the system, and 2d. will be paid on bagged wheat. One has to guess at the return from this source. Obviously it cannot be more than 6d. on 4,000,000 bushels, which would bring in £100,000, and 2d. a bushel on the remaining 9,000,000 bushels. I have made a careful study of this scheme but I am not sure whether the 2d. will be on all wheat. As this is a voluntary scheme it must be only on the amount signed up for by the growers.

The Hon. K. E. J. Bardolph—Twopence will be paid on bagged wheat.

The Hon. W. W. ROBINSON—But only on the amount signed up.

The Hon. F. J. Condon—Have you considered what the Wallaroo workers will lose?

The Hon. W. W. ROBINSON—Never at any time has there been a better opportunity for men to transfer from one job to another. I am not sure whether 4,000,000 bushels could be guaranteed for Wallaroo, but many farmers who have not signed will go to Ardrossan because they will not have to pay 6d. a bushel there.

The Hon. F. J. Condon—Not when the company takes over.

The Hon. W. W. ROBINSON—That is so. Whether there will be any additional freight charge on the railways because of the alteration of trucks I do not know, but perhaps the quicker dispatch and unloading of the trucks will outweigh the expense in that direction. There will be a saving of 10s. a ton on shipping freights, which is 3d. a bushel. Mr. Densley mentioned the premium on bagged wheat, and the figures he gave showed quite a return to the grower over the years. However, that ceased in 1953, and the only places where any premium exists today are Cyprus and Rhodesia.

I congratulate the Public Works Committee on the conscientious manner in which it investigated this matter. I accept its findings but I cannot help having some misgivings as to the efficiency of the system it advocates for Wallaroo for the quick dispatch of ships. There must be a loss of time in shunting the trucks, and during wet weather loading must be disrupted. I am very concerned about the Port Pirie division. Those who have signed will have to pay for at least seven years without receiving any benefits. I want to be sure that wheat will not be taken from that division to Wallaroo in order to boost that installation. All wheat on the Melrose, Jamestown, Peterborough system can be railed from Gladstone to Port Pirie, a distance of 33 miles, whereas to Wallaroo it is 120 miles.

The Hon. F. J. Condon—Look at the cost if they tranship it at Gladstone to send it to Wallaroo.

The Hon. W. W. ROBINSON—It would be tremendous and I was about to point out the additional freight charges involved. From Gladstone it would be 10d. a bushel, and if it were sent from Port Pirie to Wallaroo it would be 1s. Therefore, I want an assurance that in the Port Pirie division we can market our wheat in bags until bulk handling facilities are provided there. I think some slight alteration should be made to clause 33 which refers to the handling of bagged wheat and grain other than wheat, in order to ensure that the farmer will be able to market his wheat in bags if he so desires.

To sum up, I am pleased that this measure has been introduced and trust that after it has passed through this Chamber after a careful scrutiny it will meet that long-felt want by growers throughout the length and breadth of the country for a system of wheat handling in keeping with present times.

The Hon. J. L. COWAN (Southern)—This Bill must have a very important bearing on the wheat industry in the years to come. Notwithstanding the considerable advancement in secondary industries, which has meant so much to our economic set-up, it cannot be denied that we are still essentially a primary producing State and that the wheat industry is still one of the most important of the primary industries. It is about 70 years since South Australia first commenced exporting wheat and during that period there have been tremendous advances in all phases of production; in methods of tilling the soil and in machinery and other appliances used in the production of wheat the advance has been phenomenal. Yet, during that long period, there has been no change in the method of transferring wheat from the harvesting machine into cornsacks and delivering them to the various railway sidings or depots, with the one exception, perhaps, that the size of the cornsack has been reduced from four to three bushels. Despite the considerable development of secondary industries we still look upon our primary industries to create a favourable trade balance overseas, and this is a very important matter affecting the welfare of the State. Our secondary industries are not contributing in any way towards the maintenance of that favourable trade balance that we need.

The Hon. Sir Frank Perry—They are saving the importation of many things.

The Hon. J. L. COWAN—That may be so, but they are not helping to create that trade balance which we must maintain. Points in favour of bulk handling are many and varied. I am taking no notice whatever of the number of telegrams and letters received by members in the last few days, but I think there are more evident indications of the opinion of wheat-growers towards this system. That was quite evident last year in connection with the Ardrossan receiving depot for bulk wheat. When that was first proposed it was considered that it would receive about 1,500,000 bushels drawn from a reasonable radius, but it transpired that about 4,000,000 bushels were delivered from a much wider area, proof of the fact that wheatgrowers wished to avail themselves of bulk handling facilities and were prepared to convey their product over much longer distances than was ever contemplated in order that they might avail themselves of the advantages of bulk handling. Other evidence is to be found at Lameroo and Pinnaroo. A machinery firm at Murray Bridge is making hoppers and bins that can be placed

on ordinary motor trucks for the conveyance of wheat, and farmers in those centres are delivering wheat in bulk to the installations over the border in Victoria. Again, that is sure evidence that the wheatgrower is very desirous of having bulk handling facilities available to him.

Another point in favour of the system is the quicker turn-round of ships it provides. We read every day of how the slow turn-round of ships is having a disastrous effect on commerce and industry, but bulk handling will at least allow a quick turn-round as a ship can be loaded in about 24 hours and be on its way again without waste of time. A further point is that many of the countries to which we sell grain, and which several years ago favoured bagged wheat, are now almost demanding that we deliver it in bulk because they have installed bulk receiving equipment and therefore wish to get their wheat in that way. It was interesting to hear some of the points raised against the Bill by several members, and I think it was a good thing that they should have brought them forward because it affords us a chance to discuss them and perhaps reach a better understanding.

The Hon. C. R. Cudmore—Who spoke against bulk handling?

The Hon. J. L. COWAN—Several members spoke against some aspects of this measure, and expressed some concern particularly regarding the Government's guarantee of £500,000 and its security. If we consider past occasions where the Government has financed industries we find that it has guaranteed larger sums, and in particular has advanced to the Municipal Tramways Trust in the last three years no less than £2,000,000. Moreover, that has not been under a guarantee, but as a gift and it will not be returned. That was done in order to keep the trams running so that the people of this city could be provided with transport to their places of employment. If that was a wise action, then I think it equally fitting that the Government should guarantee the amount specified in connection with this system in order to assist the farming community.

The Hon. S. C. Bevan—Do you think it will stop at £500,000?

The Hon. J. L. COWAN—It is to be hoped that the guarantee will never be called on and therefore it will stop there, but in the event of its being called on the installations at country sidings will be on railway property. Although the construction of these bins will be

financed by the company with Federal Government money I am sure the State will have sufficient say in the matter.

The Hon. K. E. J. Bardolph—Don't you think it is a question of living in hope and dying in despair?

The Hon. J. L. COWAN—I am not going into all the details for I think time will solve many of the minor problems, of which no doubt there will be many; that applies to any important undertaking in its initial stages. I think the system can eventually prove to be the same success that it has been in Victoria, New South Wales and Western Australia.

The Hon. K. E. J. Bardolph—They have different systems there.

The Hon. J. L. COWAN—This system will be, if anything, in advance of that in Western Australia.

The Hon. K. E. J. Bardolph—What about Victoria and New South Wales?

The Hon. J. L. COWAN—They had better systems installed at a time when it was much cheaper to finance them. We have heard from various members about the revolving system of finance proposed under this Bill, but I understand that this has not been coined by anyone associated with the project, but has been in operation for a long time in Western Australia.

The Hon. C. R. Story—The river co-operatives have used it for years.

The Hon. J. L. COWAN—That is so, and as the result of that system the Western Australian board has made handsome profits; so much so that as an outlet for some of its finance it purchased a city block of buildings.

The Hon. L. H. Densley—Would you recommend that in South Australia?

The Hon. J. L. COWAN—No, but I am showing how they had such a surplus as to allow them to do such things and if it can be done in other States, why not here?

The Hon. K. E. J. Bardolph—Wouldn't it have been more equitable to return any surplus to the subscribers to the company?

The Hon. J. L. COWAN—I believe that that is what will happen when they dispose of the city block at a handsome profit. I do not intend to go into the details of the scheme. I believe that many of the problems referred to will eventually be solved. I intend to support the Bill and hope it will be carried so that wheatgrowers will not be kept in the doldrums as to the transport and delivery of their grain, but will be able to enjoy some of the privileges enjoyed by wheatgrowers in Victoria, New South Wales and Western Australia in the bulk handling of their produce.

The Hon. A. J. MELROSE (Northern)—I find myself in accord with other speakers who have spoken against bulk handling. Their opinions are very much in accord with what I propose to express—that while we may have to accept bulk handling through the effluxion of time and changed circumstances, and provided we overcome the difficulties which faced bulk handling before, the question arises whether the time is now ripe to install it. I take exception to the proposed method of implementation. Mr. Cudmore referred to the many things which should have been presented to members lucidly, but of which there is no mention in the Bill. I am not impressed by all this hustle and bustle, and I cannot see that it is essential that this matter should be rushed through in the minimum of debating time. It is a very big problem, which provides for a profound change in the marketing of one of our principal products. It should have been subject to the normal course of Parliamentary procedure so that there would have been a few speeches and time given for us to further consider the question and properly thrash it out. As it is, speakers have followed fast on the heels of one another, and one has heard one or two more or less unqualified opinions, whereas in proper, healthy Parliamentary procedure one has time to consider the arguments and weigh them, and out of the whole debate comes perhaps the wisest decision.

I deplore the haste with which this matter has been presented, and I am not convinced that wheatgrowers will be any worse off if the Bill is not completed this week.

I doubt whether there is any improbability concerning the installation of the scheme to deal with the approaching harvest at Wallaroo. We know that there is an almost total absence of unemployment in South Australia and also know the position regarding the provision of building materials. We were told that the measure had to be rushed through in order that the installation could be ready for the coming harvest. Parliament is asked to put into operation a fundamental change in our wheat marketing system. We know the position regarding the establishment of the mining of pyrites at Nairne and the establishment of a sulphuric acid plant to deal with this ore. The point is that Parliament could have been supplied with the names of almost any officer in either undertaking and information concerning costs, and informed of what was happening as construction continued. We were not asked to buy a pig in the poke;

as in this instance. It does not strain one's imagination to think that the cost of installation will be very great, and it is therefore only proper that Parliament should know who the directors will be, these men of financial, industrial and organizing ability who are to be entrusted with the installation and operation of this system.

As Mr. Cudmore pointed out, there are many things we do not know. We have not seen the articles of association of the company, and I question whether we have been given a proper explanation why, as Mr. Cowan pointed out, the Western Australian company should make enormous and embarrassing profits and why it was not possible to form an ordinary, easily understandable company free of this problematical revolving finance of a "live in hope and perish in despair" type. Why could not an ordinary company be formed which would be more flexible and which would allow people to withdraw when they wanted to? That would have been a wiser and better course. I cannot see how those who subscribe to the company will ever get their money back, except at some remote future. The people who have signed the agreement may know what they have signed and what obligations they have undertaken, but Parliament does not. It should know these things before it sanctions this legislation, which, to my way of thinking, is a pig in a poke. We should be given the opportunity to have this information made freely available to us so that it can be studied. If, as it appears, the Western Australian horizontal principle is to be employed, considerable thought should be given to the fact that at present there seems to be a controversy whether it is as satisfactory today as it was thought to be some years ago. I do not imagine that the South Australian people would attempt to install the open bulkhead system used in Western Australia, because they depended entirely on the fact that during certain months of the year rain was practically unknown in the wheat belt, whereas here in any year there is always the fear of a substantial fall during the harvest period.

From letters written under apparently influential signatures it would appear that that system is out of date, and that we do not know what we are asked to authorize. I think every honourable member is willing to accept the introduction of bulk handling, but I refuse to be hastened into it by organized correspondence pressing me to do something when, if I know anything about it, it is probable that



the people who sent the correspondence know little more than I do. The ultimate responsibility is Parliament's, and until we can give more time to the matter and get more information I will not be one to lend my blind support to the measure. I am willing to accept bulk handling at the proper time. I shall not vote against the second reading, but will adopt what I consider the proper Parliamentary attitude and vote, for the Bill to go into Committee where it can be dealt with clause by clause, and if I am not satisfied with the results I can vote against clauses and if necessary ultimately against the third reading. That is the attitude I will adopt towards the Bill.

The Hon. R. R. WILSON (Northern)—I am also one of those who have received a number of telegrams and letters during the last few days. I do not mind being asked to support a Bill, but I object when the words "without amendment" are added to prac-

tically every request I receive. We are not worth our salt if we bow to pressure from people outside. I have always been an advocate of bulk handling. In 1922 when an attempt was made to introduce this system I supported it, and I still have the same views as I did then. I am of opinion that we must introduce bulk handling, whether it is economical or otherwise. Accommodation is provided overseas to receive our grain in bulk, and provision has been made to convey it in ships in bulk. This system results in a great saving of labour and expenditure in every direction. Mr. Cowan referred to the labour involved in handling wheat in bags. It is true that there has been little improvement in this direction since wheat was first grown here. Attempts were made to overcome the laborious method of sowing bags, but without success. Cornsacks have always been a problem. Today I was handed a table showing what it has cost farmers during the last eight years for cornsacks alone. The table is as follows:—

## WHEAT.

Season.	Bales.	Total cost £	Less differential. £	Net result to farmers. £
1947-48 . . . . .	39,330	1,401,565	1,148,190	253,375 loss
1948-49 . . . . .	25,718	977,865	848,694	129,171 loss
1949-50 . . . . .	29,820	1,245,601	1,151,797	93,804 loss
1950-51 . . . . .	39,766	2,012,224	2,587,772	575,548 gain
1951-52 . . . . .	30,917	2,719,429	2,327,277	392,152 loss
1952-53 . . . . .	26,022	2,294,378	1,280,770	1,013,608 loss
1953-54 . . . . .	33,090	2,006,058	Incomplete	1,306,562 loss
1954-55 . . . . .	33,614	1,365,628	Incomplete	(for six years)
	258,277	£14,022,748	(total for eight years).	

## BARLEY.

Season.	Bales.	Cost. £
1947-48 . . . . .	14,680	524,516
1948-49 . . . . .	11,573	440,005
1949-50 . . . . .	12,420	518,783
1950-51 . . . . .	15,924	777,633
1951-52 . . . . .	16,586	1,458,905
1952-53 . . . . .	26,159	2,306,439
1953-54 . . . . .	27,590	1,672,506
1954-55 . . . . .	17,025	691,726
	141,957	£8,390,513

The days of carrying wheat on a man's back are past. I have done a considerable amount of wheat lumping and I know that many men have lost their health through carrying heavy bags, particularly in the days when they sometimes weighed up to 300 lb. Even today they sometimes weigh 200 lb. Men should not be asked to undertake such work. Now that we have mechanical aids surely no-one will disagree that we must have bulk handling, because handling in bags is obsolete.

I welcome this Bill, one of the most important measures introduced into Parliament since I have been a member. I also pay a tribute to the Public Works Standing Committee. Today I read the first report of the Select Committee on the Storage and Handling of Wheat Bill. Any member who read that report would appreciate the tremendous amount of work entailed in collecting evidence and making the report. Surely no-one will condemn the Public Works Standing Committee for its task in the last eight years. The present Minister of Agriculture is a man who is involved in this industry. He is sincere in all his undertakings, and he was most sincere in that report. It is certainly true that costs have increased beyond anyone's imagination, but we cannot thrive on what has happened in the past, so we must forget the length of time it has taken for the report to come to us.

Much criticism has been levelled at an organization that has been active in this

matter. Last year at Laura I heard Mr. Elliott Day speak on bulk handling and I was satisfied that he is a man with the balance and stability to receive the utmost confidence of every wheatgrower. Other officers in that organization must also be given credit for the vast amount of work they have done, particularly in the last 12 months. After all, we cannot look on this as a personal matter; the scheme is far greater than any individual. If any person is not liked, surely there are sufficient members to make a change.

Growers signed in a very short time after being told it was necessary to have a guarantee for 12,000,000 bushels, and I think now the guarantee is for well over 13,000,000 bushels. In this debate references have been made to people signing things they know nothing about. I do not agree with those comments, because farmers are as intelligent as any other people in any industry in this State. They have the benefit of radio and the press, and I claim that every person who signed up had very good knowledge of what he was doing.

The £500,000 guarantee by the Government to the Commonwealth Bank is money that may or may not be called upon. The Leader of the Opposition mentioned the Port Lincoln freezing works. I know that has nothing to do with this Bill, but I am particularly acquainted with its history. Certain individuals who saw fit to put many thousands of pounds into that business encountered the depression, like every other industry. The Government came to the aid of the industry and paid over £10,000, since when it has thrived. The same may happen in this case. The quality of wheat has been mentioned a great deal in this debate. I claim there is no need to have several different qualities; this is a matter for the farmers themselves. I think it is a mistake to let farmers grow poor quality wheat, which is usually a high yielding variety.

The Hon. F. J. Condon—Isn't the quality better here on the average than in any other State.

The Hon. R. R. WILSON—I would not say that. Javelin, Scimitar and Gabo wheats are particularly good. Insignia variety is a very weak flour type. The type of silo has been mentioned in this discussion, and it has been debated whether the horizontal or the perpendicular is the better. I know Dr. Sutton, a former Director of Agriculture in Western Australia, personally. He is a fanatic on quality, and has done much for the wheat industry in Australia. However, his opinion

is that of an individual. I ask why it is that at Midland Junction a horizontal silo has been completed and the grain put into it if that type is not satisfactory? Surely the bulk handling authorities in Western Australia would not have established it otherwise. I believe perpendicular silos would be more economical once they are constructed. The cost of construction is very much greater than the horizontal. However, nothing has been confirmed about the type of silos to be constructed, and if the company sees fit to build perpendicular types I dare say that will be done.

The shipping aspect is most important. Recently in four and a half days at Ardrossan 5,000 tons of barley were loaded into ships, equivalent to 70,000 bags; this is a record. Mr. Cudmore referred to the bulk handling of barley. Mr. Condon referred to that also, and he has excellent knowledge of the industry. I have also taken a very keen interest in the quality of cereals and have studied their habits. Barley is entirely different from wheat. The moisture content is determined as 40 per cent when it first comes off the machines, and it is subject to severe damage from storms. However, with modern methods of harvesting, hundreds of acres are harvested in a day. The barley is often not ready for harvesting, so handling it in bulk will meet with nothing but disaster. The silos constructed by Sir Arthur Barrett at Kent Town were erected many years ago, but I believe they have been used only once.

The Hon. F. J. Condon—The silo at Bala-klava has not been used much.

The Hon. R. R. WILSON—There is no need to use it today. Once barley becomes mouldy it is not fit even for stock feed. The directors of this company will be elected in the near future if the Bill passes through this Chamber. Mr. Cudmore said he has never seen a map showing the various zones, but I saw it several weeks ago and I notice that the Chief Secretary has a copy on his desk, so it has been in circulation.

The Hon. C. D. Rowe—The map was displayed on the board in the House of Assembly with the permission of the Speaker.

The Hon. R. R. WILSON—The zones are set out on the map and are:—

Zone 1. All the area of the State west of Spencers Gulf.

Zone 2. All that area of the State north of the 34° parallel, and the eastern coastline of Spencers Gulf.

Zone 3. All that area of the State south of the 34° parallel including Yorke Peninsula,

Kangaroo Island, Lower North and southerly and easterly of the River Murray, from the River Murray mouth following the boundary of the river northerly and then to the 34° parallel north of Morgan.

Zone 4. All that area of the State east of the River Murray and south of the 34° parallel, and the southern coastline of State to Mount Gambier.

I understand that in order to be eligible to vote for the directors of the company a farmer must grow 50 acres of wheat or more, and I trust that they will be very careful to see that the right type of men are selected, for it will be no mean undertaking to get this scheme under way. Some members have been severely critical of the desire to rush this Bill through, but the principle of bulk handling has been talked of for years, particularly since the price of cornsacks and labour became so costly to the farmer.

I believe that one of the main reasons for wishing to hasten the Bill through is the necessity to relieve the Ardrossan plant. In discussing bulk handling at the Back-to-Ardrossan celebrations at Easter quite a number of farmers said they had not signed up and did not intend to do so because of certain personnel associated with the scheme, but I pointed out to them that that was a grave mistake in outlook and they should not condemn the system on those grounds, because wherever it had been tried the farmers sincerely hoped that they would never have to revert to the bag system. I have visited Western Australia frequently and I do not know one person there who does not support bulk handling. The proposed terminal at Wallaroo has been fully explained in the committee's report and if it will hasten the introduction of bulk handling I am sure it will be a good thing; if it is not a complete success no doubt alterations can be made later. The member representing Wallaroo is concerned about the 350 families who are now dependent upon the present system of wheat handling for their livelihood and I fully appreciate his anxiety. However, it does not follow that these people will all become unemployed, for in these days of full employment I believe that no great hardship will be inflicted upon them.

It has been stated that it will be nine years before the farmers in No. 4 zone have the benefits of installations, but I think that that depends a great deal on the growers themselves. If they do not sign up and keep on paying the toll on bagged wheat—

The Hon. L. H. Densley—You mean if they are not going to sign up for other people to get the benefits.

The Hon. R. R. WILSON—If they sign up they will get the installations much sooner than if they do not.

The Hon. F. J. Condon—How many have not signed?

The Hon. R. R. WILSON—I do not know. Cereal growers should make up their minds whether they believe in the bulk handling system, rather than wait off to see what is going to happen. Because the majority of the growers require bulk handling this Bill will certainly have my support. I can read nothing into it that prevents barleygrowers from becoming members of the company. To say that bulk handling has not been a success in Western Australia is quite illogical. The revolving system of finance is in operation there and, having paid into the scheme for, I think, 10 years, in the last two or three years they have been receiving quite handsome dividends, so no-one can say that the scheme has not been a success—and it is not an elaborate scheme. Our scheme is modelled on it. It is true, as Mr. Cowan said, that last year the company purchased a hotel and theatre as an investment, but the South Australian company will be prohibited under the Bill from doing that sort of thing. If it were a Government scheme all the installations would belong to the Government, but under this proposal the installations will be worth a great deal of money before the scheme has been in existence for any length of time.

The Hon. L. H. Densley—Will that be better than divided control?

The Hon. R. R. WILSON—I feel sure it will be. An amendment has been filed in connection with clause 14 which deals with the duty of the company to construct bulk handling facilities. I find that wheatgrowers are very much opposed to the provision that the terminal silos must be approved by the Public Works Committee as well as the Minister. I fully support the proposed amendment because it is the farmer's money that is involved and control by a Minister who is a member of the Government, should be quite sufficient. I have much pleasure in supporting the Bill and feel sure that the cereal growers, in the very near future, will realize the great benefits it confers upon them. I trust that they will look at it from a national point of view and not as individuals.

The Hon. Sir FRANK PERRY (Central No. 2)—I have listened to this debate with a great deal of interest. Not being a wheat-grower nor having any association with wheat I approached the Bill with a good deal of

apprehension. It gives a monopoly and is full of restrictions on the company whose duty it will be to provide the installations and handle the wheat, but as the debate has progressed I must confess that I am leaning more towards the measure. There can be no argument that an improved method of handling our grain should be provided. I take it that, despite Mr. Pascoe's prediction of 50 years ago, wheat and barley growing will forever be a necessary industry in this State. Whether all the grain is exported is, perhaps, another thing; it may be used locally in years to come. Consequently I feel that a bulk handling system is desirable.

The restrictions and difficulties are many or it would not have taken the Public Works Committee eight years to come to a decision, and then only half a decision. All this Bill seeks is that Parliament should give a charter to a company that is willing to establish the system. It is true that it is not proposed to put up the immediate capital required. A more subtle method has been adopted by getting it in in small doses. Members of this organization will find that if wheat is 12s. a bushel the 6d. a bushel toll will represent 4 per cent of their income from wheat, and the lower the price of wheat falls the higher will be their investment in the co-operative scheme. The more I think of it the more I feel that it is in line with what I desire to see in our everyday life. We have been too prone to come to the Government for everything and many sections of the people still are, but here is a body of men who have been persuaded—and I must pay a very great tribute to those who persuaded them and trust that they have presented the facts fairly—to put up what I imagine will be £7,000,000 or £8,000,000 in eight or 10 years.

I understand there are about 15,000 wheat-growers in South Australia, but I should like to know how many have agreed to join the company and what quantity of wheat they produce. All we have been told is that farmers with a production capacity of 13,000,000 bushels have agreed to be members. Having signed the agreement, that involves them in a certain responsibility in the years to come. I hope that those sponsoring the Bill will be able to do without Government assistance. If the company is what I think it should be, I doubt whether the Government will be called upon to meet its guarantee of £500,000. The company will be undertaking a needful operation and should be able to provide its own finance if its members are true to it. How-

ever, companies of this type often strike much difficulty. Members drift, change their residence, disband their partnerships or die. We must remember it is to be a non-profit making co-operative company. In this regard I congratulate the promoters of the scheme, and see no reason why Parliament should not accept it. However, the managers of such a project require a different type of brain from those required by promoters. The company will have to carry out much engineering work and organization, and also have careful accounting and financing.

If I thought of investing in such a company, first I would examine the list of directors. I agree with Mr. Melrose that the first essential in such an organization concerns the ability of the directors. I do not know who the directors are to be. They may be all right, but if anyone intended to invest in such a company he would first make sure that the basis of management was sound. For the company to be successful the shareholders must have confidence in the directors. I see no reason why the company should not proceed successfully. It will collect its capital comfortably, and at the end of 12 years, if all goes well, will have a valuable asset. Although we are only giving a charter to the company, it is quite evident that there is a spirit of mistrust between the various bodies and authorities interested in the distribution and sale of wheat. The Government seeks to safeguard its interests in the company, the Wheat Board seeks to safeguard itself against the company, as do also the non-shareholders. It is apparent that the Bill bristles with a degree of mistrust, which I am sorry to see. The company should be able to function without that distrust.

The method of revolving finance proposed is quite new to me. I have never been able to persuade anyone to wait 12 years for the return of their money. However, I was pleased to hear Mr. Story say that this type of finance had been adopted on some of the Murray settlements, and I presume it is successful. It may be all right for co-operative companies, and I consider it is the only type of company in which it could be successful. There again, trust and confidence must be paramount among members. They will be lending money, in some instances in large amounts, and it will be free of interest. In effect, 4 per cent of their income will be invested in the company interest free. Apart from the guarantee, its operations will be independent of the Government, although subject to the approval of the

Minister of Agriculture in certain circumstances, and in other cases its projects will have to go before the Public Works Standing Committee.

The Hon. L. H. Densley—Don't you think the Government should have some guarantee for its security?

The Hon. Sir FRANK PERRY—According to the authorities who submitted the case, the Government will not be called upon to meet its guarantee. I am accepting that. Everyone, including the Government, seems to be satisfied. I think that bulk handling must be adopted, but every farmer has the right to invest in the proposal or not. From what I have read of the Public Works Standing Committee reports and statements concerning the possibilities of bulk handling, I cannot say that I am satisfied that the scheme will be as profitable as has been indicated by some sources. I think there are sufficient restrictions in the Bill to provide that the Government does not lose any money, but even if it does lose, there will be certain assets. Two of its directors will represent the Government, and therefore have some control over the company's operations and the expenditure of its moneys. Consequently, I consider that the necessary safeguards are provided. If this type of investment can be made a success, it is better that this scheme should be controlled as proposed than that the Government should undertake it. Everything depends on the directors, and therefore I hope that the company is successful in selecting men capable of carrying the activity to a successful conclusion.

The Hon. E. ANTHONY (Central No. 2)—A long and varied history is associated with the proposal to introduce bulk handling in South Australia. Like Sir Frank Perry, I am afraid that I am another Daniel who has to come to judgment as a result of listening to the opinions of practical, experienced wheat-growers. I do not claim to be a practical farmer, but I have taken a considerable interest in this subject. I have been associated with this industry since the 1931 committee, which travelled the length and breadth of this State examining farmers about a bulk handling scheme. I think I would be safe in saying that 99 per cent were then totally opposed to it. Of course, cornsacks were cheap then, and the farmers felt that there was no great need for such a scheme. When I first read this Bill I felt that it was a subject that would require a great deal of explanation,

because quite a number of matters contained in it did not at first meet with my appreciation.

Bulk handling is in force all over the world and if we retain the present method of handling wheat in bags we will be sadly lagging behind. The cost of bags gradually increased from year to year to such an extent that the farmers felt it was prohibitive. The Government felt that too, and in 1934 another inquiry was held. The Public Works Committee took six or seven years to conduct this inquiry. It examined witnesses from all over the State, obtained expert evidence from engineers and others who could assist, but eventually was faced with an entirely different situation because the Government decided that it was not its responsibility to run a bulk handling system. I agree with that, and because this is a co-operative scheme I support it. A co-operative enterprise is a very good thing; the more co-operation we can get the better it will be. As this will not be a Government instrumentality, that is another reason why I like the scheme.

The company felt it would require some backing and it sought Government intervention to grant a charter. Apart from this it only asked that the Government provide a guarantee. This scheme cannot be carried out without money, of course, but the farmers are prepared to put their money into it, and before it is finished they will have to find millions of pounds. In addition to the toll on each bushel going through the terminals they will have to find thousands of pounds a year for the Australian Wheat Board, which is charging them 7½ per cent. That is something that has not been discussed in this Chamber. It is all taken into the balance sheet as capital, but it is a charge on the farmers all the same. They are prepared to back this scheme for a considerable amount and we must assume that they know their business, that they have been into the scheme, that they have seen most of the reports, and are satisfied. I regret that we did not get completely unanimous support from the members of the Public Works Committee on this scheme. After all they had all the evidence, they examined experts and made a recommendation, and one would have thought they would have recommended the scheme wholeheartedly.

The Hon. K. E. J. Bardolph—Now you are casting aspersions on the committee.

The Hon. E. ANTHONY—I am not. The members are entitled to express themselves, as Mr. Condon did yesterday.

The Hon. F. J. Condon—Are you referring to the Bill or the report?

The Hon. E. ANTHONY—I am referring to the report.

The Hon. F. J. Condon—The committee did not recommend this scheme; it recommended a certain scheme.

The Hon. E. ANTHONY—The members were unanimous in their report, but I realize that they could not have foreseen the Bill that would follow. It is possible that, having seen what has grown out of their report, some of them are not enthusiastic. I hope, like other members, that this scheme will be successful. I feel that because of the great saving of labour, not only to the farmer but to all those connected with the industry, the quick dispatch of grain and the fact that most markets are equipped with bulk handling facilities, the scheme should be a great success. Mr. Cudmore raised some very cogent and pertinent questions which I feel should be answered. He said that no-one knows who are the members of the provisional committee or where the zones will be, but I point out that all that information is contained in the first Progress Report of the Public Works Committee. For the information of members I shall read the names of the members, as set out in page 8 of the minutes. They are:—

Mr. E. Day, Wasleys.  
Mr. C. T. Chapman, Moonta.  
Mr. T. Shanahan, Freeling.  
Mr. L. H. Heaslip, Wirrabara.  
Mr. J. B. Golding, Wunkar, *via* Loxton.  
Mr. M. Pearce, Rudall.  
Mr. G. D. Bruce, Alford.  
Mr. E. H. Clasholm, Toorak (farming at Maitland).

The Hon. K. E. J. Bardolph—Are there any King William Street wheatgrowers there?

The Hon. E. ANTHONY—No, they are all country people. In fact, I think one of the conditions is that they must be wheatgrowers. Some fears have been expressed about the financial aspect of this matter, but I presume the Commonwealth Bank has gone into it carefully, otherwise it would not be prepared to advance £1,000,000.

The Hon. F. J. Condon—The Government is asked to guarantee half that amount.

The Hon. E. ANTHONY—That is so, and that would not be done without careful investigation. On page 5 of the first Progress Report appears a statement by Mr. Seaman, the Government Economist, who prepared two tables, in the first of which he segregated wheat handled in bulk and other wheat in order to arrive at the average tolls on each

class from year to year. This table showed that at the end of 12 years the tolls in respect of bulk wheat would amount to £3,262,500, representing an average levy of 4.579d. a bushel on 171,000,000 bushels. Having had his assurance that the scheme is quite satisfactory from a financial point of view, I do not think we can do anything else, in the limited time we have had to consider this matter, but to agree. Mr. Seaman gave other interesting information, but it is hardly necessary to read it because he wound up with the conclusion that he was quite satisfied that the scheme is sound financially. If that is so the Government and the taxpayers have been safeguarded, and we have it on the best of engineering authority that the scheme will work satisfactorily, so we have all the assurances we need. I have pleasure in supporting the second reading.

The Hon. C. D. ROWE (Attorney-General)—It was not my intention to speak on this Bill, but in the immediate circumstances I would like to make one or two remarks. I feel that the whole of the matters relating to the Bill have been covered very well and that when the Minister replies he will be able to answer the points raised. I have followed very carefully the activities of the Wheat and Woolgrowers' Association which has put in such a tremendous amount of work on this measure, and whatever the difficulties may be, we must give a certain amount of credit to them for the interest they have shown. The farmers generally have expressed very solidly the opinion that they wish to have a bulk handling scheme, but apparently no one was prepared to do the necessary spade work and put up a proposition until that organization took it in hand and presented the scheme now before us. Once it reached that stage it became a matter of considering what the procedure should be, and after looking at it carefully I think we have written into the Bill sufficient protection to the Government in respect of the guarantee of £500,000 which it will have to put up to enable the company to commence operations.

I do not propose at this stage to go into all the provisions of the Bill which protect the interests of the general public, for I think it is sufficient to say that the Bill provides that there shall be two directors appointed by the Government who are to hold office as long as there is any possibility of the Government's being called upon under its guarantee. Under those circumstances I feel that the Government will ensure that its two representatives are

competent and capable of looking after the interests of the company, the wheatgrowers and the public. That should give adequate protection.

The Hon. F. J. Condon—Seven counts more than two.

The Hon. C. D. ROWE—But I am sure that the honourable member knows that the Bill provides that where there is a difference of opinion between the two Government appointees and the remainder of the directors on a matter liable to affect the Government's guarantee the question shall be referred to the Minister of Agriculture.

The Hon. F. J. Condon—What about regulations?

The Hon. C. D. ROWE—I take it that regulations will have to be tabled just as any other regulations are, so that Parliament will have a say.

The Hon. F. J. Condon—I think they have power to make regulations without tabling them in Parliament and we ought to clear that up.

The Hon. C. D. ROWE—I agree that that should be cleared up and I think the Minister in charge of the Bill will be able to answer the queries raised. I have had some experience of what has gone on at Ardrossan and I feel sure that bulk handling will be of advantage to the State and I hope that the measure will receive the favourable consideration of members.

The Hon. Sir WALLACE SANDFORD (Central No. 2)—Although the State in which we live is not the largest producer of wheat in the Commonwealth it is greatly interested in it. For years South Australians who went to farm near Junee and other places in the eastern States were able proudly to boast that they were reaping bigger and better crops than the people among whom they had gone to live.

During yesterday afternoon no fewer than six speeches were delivered dealing with every phase of the matter, but I think that there was some doubt remaining in the minds of nearly everyone. It may be that in most years there will be a surplus of wheat in South Australia although, with the rapidly increasing numbers of migrants, some calculation of the natural expansion of demand should be submitted by those who, with considerable enthusiasm, have indicated their inclinations and desires in the Bill before us. I have seen no attempt to estimate the shipping tonnage that can be reasonably expected to be available for the shipment of grain. At present there are two bulk

terminal installations in New South Wales and two in Victoria, whereas it is proposed that we shall finally have five in this State.

The populations of the two larger States are very much in excess of ours. On the statistician's latest figures, towards the end of last calendar year New South Wales had a population of 4,500,000, Victoria 2,500,000 and South Australia about 800,000, and in the expansion and growth of the States some of the fine qualities of our Australian forbears were shown, and not the least have been the scientific leanings that the men and youths who surround us today have shown in their desire to improve, not only the livestock, but our grains, fruits and so forth. It is, therefore, quite reasonable to expect that sooner or later in the march of time such a condition as is shown in the Bill before us should represent the inevitable line of thought which would develop.

In most of the speeches this afternoon there has been a recognition that the distribution of the expenses is perhaps more equitable than might have been the case in a measure such as this. The charge, which is a continuing one, has been dealt with so clearly and so frequently that it is unnecessary for me to address myself further to it in this debate. I am not opposed to the suggested system. Sir Frank Perry, summarized his point of view in a few words and it is one which we, as two of the city members, can say we have arrived at because we feel sure that the precautions which are so necessary will be adequate if the Bill is carried. After all the time that has elapsed let us not get into the position in which we are inclined to agree with some of the criticisms of methods instead of dealing with the ideas aimed at. We should be concerned with the necessity to keep down costs. I take it that the handling of wheat in bulk will be a step forward and the suggestion put forward by those directly associated with the proposal at any rate go some gestions put forward by those directly associated; it is in their hands that success lies. Those who have seen the silos in operation in Western Australia will agree that they are something ahead of what we have had in South Australia, but any extension of the silo system that is based on wheat should be capable of handling all kinds of grain. Mr. Cowan said that there will be many problems of construction, but that no doubt they would be overcome. We are all in agreement with that. The Chief Secretary is in effect the captain steering this little ship, and provided that the greatest care is always exercised, particularly in the

choice of those to fill the higher executive positions and the necessary safeguards are taken, it should finally enter the harbour of permanent success. I support the second reading.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I appreciate the attention given by members to the measure. The fact that on the first day of debate no fewer than six members addressed themselves to the second reading indicates their interest in the subject, and I say this in spite of any insinuation that this is a rush measure. It is not. As I pointed out yesterday, the Public Works Committee has been engaged upon this subject for at least 20 years, and so Parliament has had an opportunity to be informed. In view of the close interest of members in the economics and development of the State, it was not surprising that so much intelligent debate has resulted. This measure has become urgent because of the economics involved, and we should not be the cause of any delay in putting it into operation. I have had certain information prepared which will be available to honourable members in Committee if they so desire.

Bill read a second time.

In Committee.

Clauses 1 to 6 passed.

Clause 7—"Disagreement between directors."

The Hon. C. R. CUDMORE—I move:—

In line four of subclause (1) after "affects" to add "the appointment of the manager or secretary of the company or".

There seems to be some doubt as to the power of veto of the two directors to be appointed by the Government. As I read the clause, all matters coming before the directors will be decided by a majority, and these two Government representatives will be only two in a total of nine. The clause provides:—

Where the two directors appointed by the Government dissent from any proposal which is agreed to by a majority of the directors, or is intended to be carried out by the company and the proposal relates to or affects the order of priority of the construction of the bulk handling facilities at terminal ports, or would, if carried into effect, increase the risk of the Treasurer having to pay money under the guarantee given by him in respect of money lent to the company, the said two directors may, by notice to the secretary of the company, record their dissent from the proposal.

Subclause (2) provides that in such an event the matter shall be referred to the Minister of Agriculture, who will make a decision. While the Government guarantee exists the Government directors will have the right to

veto the priority of works and finance. I do not think that goes far enough. If the Government is to give a monopoly to this company it should, while the guarantee continues, have more control than is provided in the clause. There is the opinion that it will give the Minister power to say who will be the manager and secretary of the company. I doubt whether it will. The two Government directors should have the right to veto if they think the wrong people are being appointed as manager or secretary. The lower officials will be appointed by the company itself.

The Hon. Sir LYELL McEWIN (Chief Secretary)—There is some concern among members because they look upon the proposed company as being different from an ordinary company, in connection with which the attitude of the Council would be "hands off" where public funds were not involved. The company, under its charter, will be given a monopoly and therefore Parliament has some responsibility in guaranteeing that as far as possible it should be efficient. I have discussed the amendment with the Minister of Agriculture, who does not consider it necessary and thinks that any responsibility the Government may have is covered by the Bill as drafted. The management must be efficient and this amendment is designed to ensure that it is. In view of the importance of the measure, and the fact that we are trying to deal with it expeditiously, no purpose would be served in opposing it. The Bill will be returned to the House of Assembly for consideration and there will be ample time for further discussion, if necessary.

The Hon. K. E. J. BARDOLPH—I am not anxious to oppose the amendment, particularly as the Government has accepted it, but I point out that it is far-reaching. In effect, it will mean that the management of this company will be resolved by the two Government appointees. A committee, of which I am a member, in similar circumstances provides that where there is a disagreement between the Government nominee and the directors of a company, the company has the right of appeal to the Treasurer. I ask the Minister to report progress on this matter and not accept the amendment *in globo* as he has done.

The Hon. C. R. CUDMORE—There are nine directors on this company and for so long as the Government is liable for a guarantee it has the right to have two directors of that nine. Those two directors have the right



of veto in only two matters and if they do veto the decision of the majority of directors in those two matters, when such a notice has been given to the company it shall not carry the proposal into effect except with the approval of the Minister. Parliament is giving the company sole rights to do big things and so long as the taxpayer is liable for what may have to be paid we should have the right to veto the appointment of a manager or secretary. We all know that the success of a football team, club or company depends on the manager and secretary. I suggest that for as long as the Government is liable to pay for deficiencies it should have the right to consider who is to be appointed to those positions.

The Hon. A. L. McEWIN—I point out for the benefit of Mr. Bardolph that I did not give unqualified acceptance to the amendment. I would be the last to support anything suggestive of political interference. We are dealing with a measure of some magnitude, in what may well be record time, and I have not accepted the amendment for the purpose of crowding this House or another Chamber. There is ample time available for discussion and, if necessary, I will ask members to remain tonight in order that this matter may be fully considered. I think we are unanimous in desiring bulk handling and it is essential to get the best system possible.

The Hon. K. E. J. BARDOLPH—At no time did I suggest that this amendment would result in political interference. This provision will only operate for so long as the Government is called upon to provide a guarantee. Mr. Cudmore is closely associated with a number of companies and he will agree that unless there is definite non-interference with the management of a company the managerial side would become chaotic. This is a far-reaching amendment relating to the managerial side of the company and the Minister should report progress.

Amendment carried; clause as amended passed.

Clause 8 passed.

Clause 9—"Restrictions on trading by company."

The Hon. L. H. DENSLEY—I move:—

After "wheat" wherever occurring to insert "or other grain."

It is normal procedure in matters of this nature to include similar words.

The Hon. A. L. McEWIN—These amendments do not affect the principle of the Bill and I do not oppose them.

Amendments carried.

The Hon. L. H. DENSLEY.—I move:—  
In subclause (2) (e) to delete "wheat-grower" and insert "grower of wheat or other grain."

Amendments carried; clause as amended passed.

Clause 10—"Prohibition of preference and disclosures by company."

The Hon. C. R. CUDMORE—Can the Chief Secretary indicate whether "wheat buyer" is defined. Subclause (1) (b) states—"solicit business on behalf of any wheat buyer." I am not clear what that means.

The Hon. Sir LYELL McEWIN—I would say that is fairly easily defined. This is a public company, sanctioned by Parliament, and there will not be any preferential hand-outs to anyone because of any influence they feel they might have. Not that anyone would suggest anything in the way of inducement, but it would be improper to hand out anything to one individual customer that may be to the detriment of another. To ensure equitable treatment I think every client will have to deal with the company.

Clause passed.

Clause 11 passed.

Clause 12—"Right of company in respect of bulk handling of wheat."

The Hon. F. J. CONDON—I move—

In subclause 2 (c) after "factory" to insert "or at any other place in the town in which his mill or factory is situated."

That would enable the miller to erect a bin for his own purposes. The majority of mills in South Australia are off the railway line and the miller has to find his own transport.

The Hon. Sir LYELL McEWIN—The amendment is worthy of consideration, and I therefore do not oppose it.

Amendment carried; clause as amended passed.

Clause 13 passed.

Clause 14—"Duty of company to construct bulk handling facilities."

The Hon. L. H. DENSLEY—I move—

In subclause 4 to strike out "approved" and insert "reported on," and to strike out "or" and insert "and approved."

As I understand the position, the usual practice is for the Public Works Committee to make an inquiry on any proposal put before it, then to make a recommendation to the Minister who, if the Government approves, gives his approval, and the matter then comes before the House and becomes part of a Bill.

The Hon. Sir LYELL McEWIN—When I submitted the Bill yesterday I suggested that there had been a mistake but I have discussed the matter with the Parliamentary Draftsman

who does not see much difference in the meaning of the words. However, there might be some conflict as to who is responsible. Ultimately, of course, the Minister is responsible. Expenditure over a certain amount must be reported on to Parliament, so the word "approved" may cause some misunderstanding. As the amendment probably fits the intention of the Bill, I accept it.

The Hon. F. J. CONDON—I disagree with the Minister on this occasion. If members want to alter the functions of the Public Works Committee, let them do so. First of all the committee was asked to report on bulk handling. That committee has the task of recommending things, but it did not recommend this Bill.

The Hon. Sir LYELL McEWIN—The committee approved of it.

The Hon. F. J. CONDON—The committee approved of a bulk handling scheme for Wallaroo but had nothing to do with this Bill. It will probably be asked to approve bulk handling for Port Lincoln, Port Pirie, Thevenard and Port Adelaide, and I do not want its powers taken away from it.

The Hon. Sir Frank Perry—Do you want seven years for each?

The Hon. F. J. CONDON—If a report had been brought in earlier it would have been an adverse report. Instead of condemning the committee for the delay members should be thankful that a report has been brought in, otherwise there would be no bulk handling scheme. When a recommendation was made in 1934 by the committee why did not the Government bring in a Bill then? I oppose the amendment.

The Hon. J. L. S. BICE—If this Committee desires the deletion of the words "by the Parliamentary Standing Committee on Public Works, or" I shall be happy to accept that. The acceptance of this amendment would mean that the committee would submit its report to the Minister, not to the Governor or Parliament. It is not the desire of the Public Works Committee to go into this matter again; it has given a definite report on Wallaroo, and in my opinion that should be the end of its duties.

The Hon. Sir LYELL McEWIN—This is very interesting. There seems to be some conflict within the Public Works Committee itself, one member claiming the right to do these things and another saying "Let us get out of it." I remind the honourable member that he has a responsibility in terms of his appoint-

ment and cannot get out of it. The committee has a reference before it which covers the whole State and it cannot get out of it after having dealt with Wallaroo. I quote the relevant part of the committee's reference in 1947:—

I, Sir Charles Willoughby Moke Norrie, Governor . . . do hereby refer to the Parliamentary Standing Committee on Public Works . . . for inquiry and report, all questions relating to the project of constructing, establishing and operating a bulk handling plant or system for the receiving, transporting and handling of wheat at Port Adelaide, Wallaroo, Port Lincoln and other places (if any) in the State, with supplementary plant therefor at sidings and elsewhere on the South Australian railways.

So it is not within the province of the honourable member to say, "We are finished with the job." I hope the committee will do its job, which is to report, and has nothing to do with approval.

The Committee divided on the amendment—

Ayes (13).—The Hons. E. Anthoney, J. L. Cowan, C. R. Cudmore, L. H. Densley (teller), E. H. Edmonds, N. L. Jude, Sir Lyell McEwin, A. J. Melrose, W. W. Robinson, C. D. Rowe, C. R. Story, Sir Wallace Sandford, and R. R. Wilson.

Noes (5).—The Hons. K. E. J. Bardolph, S. C. Bevan, J. L. S. Bice, F. J. Condon (teller), and A. A. Hoare.

Majority of 8 for the ayes.

Amendment thus carried; clause as amended passed.

Clauses 15 to 29 inclusive passed.

Clause 30—"Delivery of wheat received as licensed receiver."

The Hon. F. J. CONDON—At present some wheat is carted in bulk to cities and country towns. Is there anything in this Bill that will prevent its being done in the future?

The Hon. Sir LYELL McEWIN—I am not aware of anything that would prevent it, but I will not take the Bill beyond the Committee stage now, and during the dinner adjournment will check up on that. If necessary we can reconsider the clause before the third reading is taken.

Clause passed.

Clauses 31 and 32 passed.

Clause 33—"Company authorized to handle other grain in bulk."

The Hon. W. W. ROBINSON—I indicated in my speech on the second reading that I desired some safeguards for farmers in the Port Pirie and Thevenard divisions in respect of bagged wheat. So that farmers in those divisions may have an alternative method of

marketing their wheat pending the establishment of terminals in that division I move:—

At the commencement of the clause to insert “(1) Subject to subsection (2) of this section,” and at the end of the clause to add:—

(2) The company shall not receive any bagged wheat except at a place where no licensed receiver or other wheat merchant is carrying on the business of receiving wheat.

If a terminal were established at Gladstone all the wheat from Wilmington and Jamestown would go through that centre and would then be transported to Wallaroo, a distance of about 130 miles, whereas to Port Pirie it would be only about 33 miles. I want to make sure that these people should have an alternative method of marketing their wheat at Port Pirie where there is no immediate provision for bulk handling. The same applies to Thevenard. People in that district should not have to transport all their wheat to Port Lincoln.

The Hon. Sir LYELL McEWIN—It would appear that the amendment is to protect licensed receivers who are already operating and established and who had no idea when the company might start operating against them. Where they are established and there are no other facilities, they would continue to carry on. The company would only come in and handle bagged wheat where it was necessary. I realize that established receivers probably have much money invested, and would desire not to be placed in an unfavourable position. The Bill does nothing to wreck the existing marketing system, and any change should be subject to the minimum dislocation. I am prepared to accept the amendments.

Amendments carried; clause as amended passed.

Cause 34—“Regulations.”

The Hon. L. H. DENSLEY—I move to add the following subclauses:—

(3) Where the Minister is of opinion that any regulations (being regulations on matters mentioned in subsections (1) and (2) of this section) ought to be made in the public interest, or in the interests or for the protection of any class of persons, he may submit a draft of such regulations to the company with a request that the company shall recommend the making of such regulations.

(4) The company may within two months after the receipt of the draft regulations make representations thereon to the Minister.

(5) If the company does not notify the Minister within the said period that it is willing to recommend the regulations the Minister, after considering any representations made by the company, may recommend the regulations and if he does so the regulations may be made without the recommendation of the company.

The clause as drafted provides that the Governor may, on the recommendation of the company, make regulations not inconsistent with the Act, but there may be occasions when the Minister may wish to make regulations. My amendment provides accordingly.

The Hon. Sir LYELL McEWIN—As we have other amendments which will be subject to further consideration, I see no reason to oppose this amendment. This is a semi-public company and it might be desirable that the provision should be included. I cannot go into a detailed examination now, but in view of the contents of the amendment, I accept it.

Amendment carried; clause as amended passed.

Remaining clause (35) passed and title passed; Committee's report adopted.

[*Sitting suspended from 5.56 to 7.45 p.m.*]

On the motion for the third reading.

The Hon. F. J. CONDON (Leader of the Opposition)—I should like the Chief Secretary to give me a reply to the question I asked on clause 30.

The Hon. Sir LYELL McEWIN—Before the adjournment I told members that if there were any matters that had not been satisfactorily answered in Committee an opportunity would be provided to discuss them further on the third reading. I do not want to stifle discussion on this Bill and time is now available, in view of the fact that we have facilitated the passage of this measure, for members to raise any points. Mr. Condon asked whether existing conditions which apply to receiving agents and the movement of wheat were in any way interfered with by the Bill. I told him I was not aware of anything interfering with existing arrangements of licensed receivers, but that I would further study the position and consult the Minister concerned during the adjournment. My previous opinion has been confirmed; in fact there are even provisions in the Bill to ensure that existing conditions are preserved.

I always try, as far as possible, to give members the fullest information at all times on any measure before the Council. If ever there was a time when we should be frank and have the fullest discussion on a measure now is the time, when we are considering this Bill. It is unusual to have a debate on the third reading of a Bill, and without inviting discussion, I make it clear that the last thing I desire is to stifle further debate. If there is no further debate the Bill will pass the third reading and go back to another place with the Council's amendments. I think it can

then be claimed that never was more concentrated effort made by Parliament on any measure than on this one. As is said during one of the ceremonies we have been through, if anyone has anything to say let him say it now, or forever hold his peace. That is applicable to this measure. If Mr. Condon has any further doubts about this Bill this is his opportunity to voice them.

The Hon. F. J. CONDON—Although I do not desire to comment further on the Bill, I hope that those who are handling it will meet with the success they deserve. I take this opportunity of again referring to the position of a number of men, including some in the milling industry, who will be vitally affected by the operation of the Bill. I make this final plea on behalf of a body of workers at Wallaroo. As members of Parliament, we should encourage the Government wherever possible to make up the leeway in employment that this Bill will cause, because it must be remembered that Wallaroo will be the first South Australian port to be equipped with bulk handling installations under this Bill. In my second reading speech I told members that I had dissented from the Public Works Committee's report in 1934 because of the possible unemployment that would be caused at Wallaroo. I know that members are sympathetic, and I again commend the member for Wallaroo (Mr. McAlees) for his part in protecting his town. He is taking a stand that any member here would take if similarly placed. There are 350 men at Wallaroo who are employed on wheat handling, and they, with their families, would be forced to leave Wallaroo where they have lived for many years. Indeed, the forefathers of many of these men helped build the town,

but the passing of this measure will mean the breaking up of many homes there. It is not possible for all those men to be accommodated in the suburbs of Adelaide because of the housing shortage.

The Hon. E. Anthony—Will many be employed at Wallaroo under the new system?

The Hon. F. J. CONDON—No, but under the scheme recommended by the Public Works Committee more men will be employed than under the belt gallery system, so we have been able to accomplish something in that respect. I know that every member desires to see that as many workers as possible remain in the country and are not brought to the metropolitan area. These workers at Wallaroo are honest citizens who have done much to build up their part of the State, but today their outlook is black. I trust that I may be wrong in my suppositions in this regard, but the Government should ensure that a new industry is started at Wallaroo to relieve the plight of these unfortunate men.

The Hon. E. H. Edmonds—Do they depend solely on the handling of wheat?

The Hon. F. J. CONDON—Yes, apart from the unloading of about eight phosphate rock ships each year. I am, and have been for a number of years, a member of the Waterside Workers' Federation, and the members of that Federation at Wallaroo rely almost solely on the handling of bagged wheat; therefore this measure will affect them greatly. I support the third reading.

Bill read a third time and passed.

#### ADJOURNMENT.

At 8.1 p.m. the Council adjourned until Thursday, June 30, at 2 p.m.