

LEGISLATIVE COUNCIL.

Wednesday, October 19, 1955.

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

THE NATIONAL TRUST OF SOUTH AUSTRALIA BILL.

The Hon. C. D. ROWE (Attorney-General), having obtained leave, introduced a Bill for an Act to constitute and incorporate a body to be known as The National Trust of South Australia, to prescribe the powers of the said body, and to provide for the preservation and maintenance of places and of chattels of any description of national historical or scientific interest or natural beauty, and for purposes incidental thereto.

Read a first time.

LAND AGENTS BILL.

The Hon. C. D. ROWE (Attorney-General), having obtained leave, introduced a Bill for an Act to make provision with respect to the licensing of land agents, to repeal the Land Agents Act, 1925-1950, and for other purposes.

Read a first time.

NOXIOUS INSECTS ACT AMENDMENT BILL.

(Continued from October 18. Page 1098.)

Recommitted.

Clause 3 "Powers of officers on non-compliance with notice"—reconsidered.

The Hon. C. R. CUDMORE—I move the following amendments in subsection (2):—

Before "An occupier" to insert "for the purposes of subsection (1) of this section," to delete "forthwith" and before "commence" to insert "forthwith."

There was not much opportunity yesterday to line the Bill up with the existing Act, section 6 of which provides:—

(1) The council may from time to time by notice published in one or more newspapers circulating in the area require all occupiers of land within the area or any part thereof specified in the notice to take within the time specified in the notice all such prescribed measures as are mentioned in the notice for the destruction and suppression of noxious insects.

The important words are "within the time specified." That is a general notice to be advertised in the press and subsection (2) relates to a direct notice in writing to the occupier of land to do certain things "within the time specified." It is all a question of time. Subsection (3) provides:—

Any occupier who neglects to comply with the requirements of any notice under subsection (1) or (2) shall be guilty of an offence . . .

Provision is made for an authorized officer who may with or without assistants do certain things which had not been done as requested. Under subsection (2) a direct notice in writing is sent to the occupier who must do certain things within the time specified. The position was undoubtedly clear to the Parliamentary Draftsman and those who had read the Act in conjunction with this Bill, but it was by no means clear to me, and in the form approved yesterday I doubt whether it would be clear to district clerks who would have to administer the law. My amendments will have no effect upon the operation of the legislation but will make the position clear to everyone. If the word "forthwith" is placed immediately before the word "commence" everyone will know what the provision means. New section 6a(2) provides that if a council gives a fortnight's notice when an emergency exists but the occupier does not start to do something as soon as he gets notice, apart from the time in the notice, officers can go in and do the work for him. My amendment will make it more clear what new section 6a(2) means. I have conferred with the Parliamentary Draftsman and I believe it is effective in its present form, but I believe it will lead to a considerable amount of controversy and trouble because people will not know what it means. If my amendments are carried, it will strengthen the position, and new section 6a(2) will read as follows:—

(2) For the purposes of subsection (1) of this section an occupier who—

- (a) does not after the service upon him of a notice mentioned in section 6 forthwith commence to comply therewith; or
- (b) having, so commenced does not continue such compliance.

shall be deemed not to have complied with the notice.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I think every member realizes that this legislation is designed to meet an emergency and to make the Act of 1934 more effective. Mr. Cudmore's amendments have somewhat altered some of the conceptions I had of the discussion yesterday, which mainly centred around the language used in new section 6a(2). The Parliamentary Draftsman furnished a report, and although he thinks the position is covered, he believes that it would be better expressed in the way suggested by the amendments. His report states:—

The first subsection of new section 6a says that if an occupier of land does not comply with a notice to destroy noxious insects an authorized officer may take action. Subsection (2) explains what is meant by failure to comply with a notice. In effect, the subsection says that a man will be regarded as having

failed to comply with a notice if he does not commence forthwith—*i.e.*, as soon as is reasonably possible—to do the work mentioned in the notice or, if having so commenced, he fails to continue the work. In other words, an authorized officer does not have to wait until the expiration of the full time allowed by the notice before he can himself take action. The officer will be able to take action if it appears that the occupier is not proceeding with the work so as to complete it within the specified period.

If subsection (2) were not in the Bill it would not be legally possible for the authorized officer to take action until the expiration of the time mentioned in the notice which, in some cases, would be too late. I understand that Mr. Cudmore appreciates the necessity of retaining subsection (2), but would like to make its significance clearer to laymen and others who will have to administer the Act. For this purpose he proposes some verbal amendments and I recommend that they be accepted. I think the section as introduced was quite effective, but the amendments may make it more easily intelligible to the general public.

As the amendments will make the provision clearer to the average layman and may avoid delays and expense in his obtaining legal advice, I have much pleasure in supporting them.

Amendments carried; clause as amended passed.

Bill reported with amendments and Committee's report adopted.

Read a third time and passed.

A message was received from the House of Assembly intimating that it had agreed to the Legislative Council's amendments.

COAL ACT AMENDMENT BILL.

Second reading.

The Hon. C. D. ROWE (Attorney-General)

—I move—

That this Bill be now read a second time.

This Bill proposes to extend the Coal Act for a further five years. Unless extended it will expire on December 31 of this year. The object of the coal legislation is to ensure that when there is not sufficient coal to meet all demands, such coal as is available will be used to the best advantage and essential services will be maintained. The legislation enables the Minister of Industry in times of emergency to allocate coal among essential users, and to control the use of gas and electricity by the general public. Provision is made for the appointment of a committee called "the South Australian Coal Committee" to advise the Minister concerning the exercise of his powers under the legislation.

Since the legislation was originally passed in 1947, its operations have been extended from time to time. The last extension was in 1950 when the operation of the Act was extended for five years. The committee has been of great value in times of emergency and has had the support of all coal users. Allocation of available stocks of coal in times of shortage has enabled industry generally to carry on production to the maximum extent possible in the circumstances. There is now no shortage of coal, but in the event of any interruption in the supply of coal from other States the then existing stocks of coal would soon be seriously depleted and the work of the committee would become essential. The cost of the committee is negligible and it is of value to the State to have the committee and the powers given by the Act always available to deal with an emergency. If the Act lapsed, control might be required at a time when Parliament was not sitting. It is preferable to keep the Act constantly in force with the powers always in reserve ready for use.

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

MINING ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 18. Page 1100.)

The Hon. Sir FRANK PERRY (Central No. 2)—Any Bill concerning mining that comes before Parliament always arouses a certain amount of interest in me, and I think in members generally. As a State we have led ourselves to believe that we are principally primary producers and most of our efforts hitherto have been towards establishing primary industries on a sound basis. Our mining interests have not been of very great moment to the State. It is true that we have had the Burra, Moonta and Kapunda copper mines, but, of course, they have faded, leaving us only with memories. We have iron ore which is a valuable asset to the State and the deposits have been developed very well, I should say, from our point of view, but of late considerably more interest has been taken in mining due, firstly, to our difficulty in fuel supplies, and the consequent development of Leigh Creek coalfield. Following that the atomic age necessitated a world-wide search for uranium, thorium and the like, and fortunately South Australia, with the knowledge of its Mines Department and others, found that it had potential resources worthy of development. That has been the case, of course, throughout the world, but in South Australia

the Government has taken very definite steps and Parliament has been called upon to vote sums of money, not only from revenue but from the Loan Account, until they have now assumed very large proportions.

Unfortunately the very lucid explanation and analysis of the expenditure by the Mines Department over the last year contained in the Auditor-General's Report has not been in my hands until today and consequently I can refer to it only briefly. It appears, however, that the Department has developed very considerably. I gather that anything up to half a million pounds a year is being spent from revenue. Such expenditure should produce something and undoubtedly it does, but if the Auditor-General is correct our venture into the production of uranium is likely to involve us in the provision of about £10,000,000 for the Radium Hill mine and the Port Pirie treatment works, together with working capital which is assessed at £2,750,000. We should expect some very substantial returns from this outlay. I am glad that South Australia has been able to develop what mineral resources she has. Unfortunately, they are not as great as we would like; indeed, I suppose if we are honest we must admit that they are not very big.

This Bill is the first indication of what we are up against. Uranium has prompted a good deal of speculation due to the feeling that it is a metal that should be chased at all times irrespective of costs, and the effects and results of the production of uranium would be a great asset to the country. The Government and the public have acted on that idea. If there is any opportunity to improve their financial position the public are prepared to speculate.

The Hon. F. J. Condon—In other words, they are engaged in a lottery.

The Hon. Sir FRANK PERRY—No, backing their judgment and hopes. We do not expect the same outlook from the Government, which should be sane, keep its feet on the ground and guide the people with its sound knowledge. Speculation does not enter into its attitude. It was intended to spend £3,700,000 on developmental works at Radium Hill and £812,000 at Port Pirie. The anticipated expenditure at Port Pirie has been more than doubled and at Radium Hill has been 50 per cent higher than estimated. I do not think we can complain about that because since the enterprise started costs have increased considerably. Most of the money came from loan and not revenue, the loans being obtained from England and

America and local sources. The Bill indicates that the Mines Department has equipped its laboratories beyond the resources of the State demand. The amount supplied from revenue to this department over the last few years has averaged £500,000 a year, and from these resources the Government has built up very efficient laboratories, chiefly for the handling of uranium ores. I cannot conceive of its having built them for handling only ores within the State. Had it thought so, I feel it would have over-stretched itself, but if it were done to give a service to Australia, that would be more within reason. I understand there is not a better equipped laboratory for its purpose in Australia than the one developed by the Mines Department.

The Bill will give the Government authority to take care of inquiries from private enterprise or Government authorities anywhere in Australia who want to take advantage of the knowledge already gained. That is very laudable. If we can afford it, it is desirable that a wider use should be made of the facilities. Research involves very heavy expense, and does not always lead to results, but when it does a big advantage is obtained. Anyone undertaking research is faced with a heavy responsibility, as well as much expense. The question arises whether the Government did the proper thing in building up a laboratory for the single purpose of developing uranium. We have research laboratories at the Adelaide University and the School of Mines which may not have been established for a single purpose, and did not cost as much as the laboratory established by the Government at Port Pirie. I am pleased to support any suggestion that these laboratories should be made available to industry, whether it is located in South Australia or elsewhere in the Commonwealth. I think this is a necessity, as otherwise they could not be self-supporting.

Any knowledge gained as a result of operations at Radium Hill and Port Pirie is in the interests of Australia, and should be made available to others. Therefore, I have no objection to the clause which provides for an extension of the laboratory services to outside users. With the threat of war at one stage uranium was glamorized temporarily, but now with peace divorced from war and war scares, ample use can be made of the facilities available for peace-time purposes. Consequently, the glamour which surrounded uranium at one stage has departed somewhat. I am glad that the provisions relating to the discovery of uranium in

South Australia are thrown open under the Bill, and that it will be possible for industry or any interested party to make the necessary arrangements to produce uranium ore and have it treated. This will enable people to take an active part in its production. Under the Bill the Minister will have authority to depart from the provisions of the present Act relating to royalties. At present the royalty is 2½ per cent of the gross proceeds of the products mined, but under the Bill even that arrangement can be waived if the Government is so disposed. Although I think it is better in some ways to work to a fixed royalty, which is known to everyone engaged in mining operations, the Bill provides for an altering condition which may be agreed to by the Minister. I have no great objection to that. We have every confidence in our Ministers and Government departments to make the best arrangements possible in the interests of the State, and can feel reasonably satisfied that with the knowledge and judgment of the Ministers the State will be safeguarded in relation to any mineral lease granted to a company or private person. I welcome the idea because I think mineral resources, even uranium and thorium, could be adequately developed by a company. After all, the Government has to act in a governmental way, but many of these mining concerns do not have to develop to any great extent. The proposals of the Government are to the advantage of the State. I feel that, in developing Radium Hill and the Port Pirie treatment works, the Government had in mind that there would be other sources of supply of uranium ore and the plants were constructed to cater for them. I am sure the Council has no objection to the widening of the possibilities of the working of leases by companies or persons approved by the Government. From what I have seen of Radium Hill and the Port Pirie treatment works I can say that the plant is excellent. It is probably too large for immediate requirements, but if the judgment of the Mines Department and the Government is correct it will serve a very useful purpose in the future. Naturally uranium has to be purchased by either the Commonwealth or the State Government and I see no objection to the provision of funds for that purpose, although it seems to me that it will be a long time from the spending of the £2,750,000 working capital forecast in the Auditor-General's Report until something is received from the ultimate user. I approve of the Bill in all its aspects, and I think it is necessary.

The Mines Department has done an excellent job in developing our coal and uranium resources, but results of uranium projects have yet to be seen. We know that originally the purchase of uranium and the recovery of original capital was arranged, and finance could be obtained on loan from ultimate users. We proceeded with that expenditure on this basis, which I do not criticize, but the results have yet to be seen; consequently, any enthusiasm in regard to this industry is a little early. I certainly hope that the expected results will be achieved. The enthusiasm of an officer of the Mines Department, however high he may be, must not overrun his judgment or the policy of the Government. I have a great respect for the Director of Mines (Mr. Dickinson), who has done a magnificent job. I think he has shown the enthusiasm that every mining authority must show and his judgment has been excellent in most respects. However, the Director of Mines in this or any other State should have some regard to the policy of Parliament and of the Government in any public utterances that he makes.

The Hon. K. E. J. Bardolph—Why does not the Government tell him that?

The Hon. Sir FRANK PERRY—It may have told him, but I feel that in matters of policy he should be rather careful in his statements. After all, it is very easy to recommend the spending of millions of pounds. We have spent about £10,000,000 on uranium, and the expenditure should be with the idea of obtaining successful results. Any attempt to run counter to the policy of Parliament or the Government is rather unfair and inadvisable, to put it mildly. Recommendations for the expenditure of money that may appeal to some people must be based on solid facts and judgment. Until they are proved, many of these statements are misleading to the public. I support the Bill, which I think is a step in the right direction.

The Hon. K. E. J. BARDOLPH (Central No. 1)—I did not propose to speak on this measure, but I think some of the remarks made by Sir Frank Perry require an answer. Members of the Opposition never take an opportunity to castigate a high Government official for any statements he may make. I was surprised by the remarks of the honourable member who praised the Bill on the one hand and damned it on the other. He said we have already spent £10,000,000 in the development of uranium and thorium, but that the necessity

for the expenditure proposed in this Bill had to be proved. He is interested in a large enterprise that spends shareholders' money, and he knows that success in whatever project the company commences is in the lap of the gods. The results of legislation passed here are problematical.

The Hon. S. C. Bevan—Has not uranium been proved?

The Hon. K. E. J. BARDOLPH—Of course it has. We trust that all legislation passed here will be of material benefit to the State. The honourable member said that these things have to be proved, but I point out that even in Great Britain millions of pounds have been spent on research. When that country engaged leading scientists to carry out its proposals it had in mind not the immediate return but the future benefits. I compliment the Director of Mines for his enthusiasm and ability in placing South Australia in the forefront in the development of this very rare and essential mineral. I hope that it will be used not for war purposes but for the development of industry. I do not know Mr. Dickinson personally, although he has given evidence before the Industries Development Committee, of which I am a member, but it is most improper for any member of this Chamber to flagellate or cast aspersions against him because of any public statement he may make. If it conflicts with the policy of the Government or of the Minister that is their concern and it is their duty to reprimand him, whoever he may be.

The Hon. E. ANTHONY (Central No. 2)—I thought I listened with the greatest care to my colleague, Sir Frank Perry, and I consider he made a valuable contribution to the debate.

The Hon. C. R. Cudmore—Hear, hear!

The Hon. E. ANTHONY—I could not see the least thing to object to in what he said about the Director of Mines. It is the province of the Legislature even to flagellate verbally—to use the words of the honourable member—if the occasion warrants it, but I did not see any pieces of skin flying. I think Mr. Bardolph used a rather extravagant term. Sir Frank Perry made a good, critical analysis of the Bill and of the remarks of the Auditor-General which are, of course, made for the benefit of members of Parliament. I am only sorry that his report did not reach us sooner because it contains some rather provocative matter. This is the first time that that officer, or anyone else as far as I know, has made an analytical statement on the operations that

are being carried on at Radium Hill, and in which we are intensely interested. As Sir Frank said, the glamour of radium is disappearing as the scare of war recedes. Radium is not a rare mineral; it is one of the commonest minerals in the world I understand, but the difficulty is in oxidizing it.

As coal is becoming scarcer throughout the world—and the foreseeable future of coal can almost be predicted by geologists—the question that arises in the minds of Governments is what is the next fuel that can be used for generating power for the service of mankind, and this has made uranium very popular. I congratulate the Government on its foresight. The Premier very early took an active part in getting uranium understood and the project launched. Of course, it has cost a lot of money.

The Hon. F. J. Condon—There is nothing wrong if the Premier did it!

The Hon. E. ANTHONY—I do not think Sir Frank said that there was anything wrong with it. He was simply exercising his right as a member of querying whether we were spending too much money and whether it was being economically used.

The Hon. K. E. J. Bardolph—You are always doubtful about any money spent for the development of Australia.

The Hon. E. ANTHONY—I have always been strongly in favour of developing this country which I think has a great future, but it is our duty to analyse public accounts and see that the taxpayers' money is wisely spent. The following paragraph from the Auditor-General's report is worthy of our close attention:—

However, at the present time, it is not possible to assess the precise overall effect of these developments on the ultimate financial result of the undertaking as that result will depend upon future grades of ore mined and whether operating expenses can be established on a level which will provide a margin to offset those higher costs.

He wants to point out to members that it all has yet to be proved, and he is quite right. I have seen press reports indicating that this year we may expect an income from Radium Hill of £60,000 to £70,000, but now we are told that it is uncertain when the mine is likely to come into profitable production, and before that time the State will have to spend several more millions. We had to go into uranium mining because we had to try to find another fuel to take the place of coal, but it is our right to see that we do not advance too far or too fast, and we should encourage,

as this Bill does, private enterprise to prospect for and to mine this mineral. As Sir Frank Perry said, the Government is now doing something that should have been done a long time ago. My opinion, and I think it is shared by many others, is that it is not the job of Governments to go into large commercial enterprises. Capital can be found for these things, so therefore let us encourage private enterprise.

The Hon. F. J. Condon—Your Government has done it.

The Hon. E. ANTHONY—I know that, but I do not think it wise to go too far into these projects when private enterprise is willing to do it. This Bill will throw the door open to people interested in mining and who are, we are led to believe, ready to provide the capital.

The Hon. C. R. Cudmore—And who have experts, too.

The Hon. Sir Lyell McEwin—Tell us where this capital is. Let us understand what you are talking about.

The Hon. E. ANTHONY—The Minister must know what we know.

The Hon. Sir Lyell McEwin—I thought the honourable member knew and I would like to hear it.

The Hon. E. ANTHONY—The Minister must have heard that there are people ready to put money in these ventures. If the press is to be believed there are people with capital ready to come here. One thing I do deplore, and that is that the laboratory work that was being carried on by the School of Mines has been taken away from it and put elsewhere at heavy cost. I support the Bill because I am sure it is a step in the right direction and will do what most of us thought should have been done in the past.

The Hon. Sir LYELL McEWIN (Minister of Mines)—I did not feel called upon to say anything to close the debate until it drifted in a direction which seemed to be quite away from the intentions of the Bill, and became a discussion centred on the report of the Auditor-General. Words of scepticism were used which I regard as a most extravagant interpretation of what the Auditor-General's report always is, namely, a clear and concise statement of facts. If any member has not the capacity to read and understand it as such, it is rather unfortunate. There is no suggestion in the report of any scepticism regarding anything that has been done or anything proposed to be done, and to talk about commercial

enterprise when there has never been any commercial enterprise in the matter is absurd. There is only one buyer and that is the Government. The project was started as a defence measure and the activities of the Government centred around the backing of the Atomic Agency Commissions of America and England, who came into this project when many things were unknown.

It is easy to interest commercial enterprise when certain basic facts are known, but I would like to know whether the honourable member would be prepared to invest his life's savings in something he knew nothing about. The driving force behind this enterprise was not money or dividends, but the essential defence of our Commonwealth. That was the whole basis, and there is nothing in the Auditor-General's report to suggest that there is anything wrong. The criticism this afternoon has been an extravagant interpretation of mere statements of fact. There is nothing secretive about the problems associated, first, with the findings of uranium deposits and, subsequently, the proving of the reserves of ore. Throughout the world each deposit has its own problems, quite unlike those associated with other minerals. The methods of mining and treating gold are known; the plant required to produce oil does not vary greatly, but that does not apply to the treatment of uranium.

All the Auditor-General says is that certain plant provisions had to be made which were not foreseen by any of the three partners to the agreement, but there is no quarrel about that, and no suggestion about the indefinite term members are talking of before there will be an income. Shipments have been made and payments have been received promptly, and when the honourable member sees another report he will probably see the brighter side of the picture when the yellow dust begins to return in the form of dollars. There is nothing wrong in the soundness of this project or the capacity of the officers handling it. I would rather take some pride in the matter instead of kicking ourselves and thinking that no-one can do anything but someone outside our own country, someone with greater intelligence than that of people we can breed and educate. We are frequently complimented by people in America and England. Only last week a visitor representing the Atomic Agency said to me that he wished they had something in England comparable with what we have established, and he congratulated me upon the work we are doing. I think it is better that we should see some of

the things we are doing as being worth-while instead of wanting to kick the props from under the stable organization we have established.

The Hon. E. Anthony—Now the Minister is becoming extravagant. I did not say any such thing.

The Hon. Sir LYELL McEWIN—There is a saying about continuing to speak until you are understood, and I think the honourable member is now beginning to realize the position. It was not possible for private enterprise to take part at the time when it was suggested that the Government should be involved in this proposition. I think I have said enough to indicate the work associated with the development and treatment of uranium, showing how it had to be worked out. The figures given in the Auditor-General's annual report include the cost of the treatment works at Port Pirie, which was agreed to by all concerned. The laboratory was designed to treat a greater quantity of ore than could be provided from Radium Hill. The plant has gone into operation and has not missed a beat. So much for the efficiency of the designers of the plant and the officers concerned with its operation. They are the things we should speak about and we should commend those who started from scratch and achieved these things instead of trying to besmirch, and suggest that something is wrong or shady because of a report setting out a few figures relating to the industry.

We have done certain exploratory work and certain facts are known about the industry, and a price has been established for the product. We have now proceeded a step further. On the argument submitted, it might have been suggested that petroleum should have been thought of and provision for its production included in the original Mining Act. If we could solve all these things in one year, there would be no need for a continuous Parliament. We progress with the times; and we have progressed from minerals to petroleum and now to uranium. Who could say today that even this Bill goes far enough? If our research laboratories are to be used in association with an interstate industry, who is to say that today's legislation goes far enough and that we should not have the capacity to buy and treat uranium produced in another State? We treat at Port Pirie silver lead deposits from Broken Hill.

The Hon. E. Anthony—The Government does not do that.

The Hon. Sir LYELL McEWIN—Why should we restrict ourselves to South Australia? I

do not know that this legislation goes far enough, but we are facing the problem step by step. It is quite easy for any critic to stand up and say, "Why did not the Government do this five years ago?" It might just as well be asked, "Why was not the pipeline from Morgan to Whyalla constructed in 1887?" Everyone knows that we should do things when the time is appropriate, and the time is now appropriate for this advance in our legislation. I thank honourable members for their prompt consideration of the Bill, which will help considerably in the development of our mining industry.

Bill read a second time and taken through remaining stages.

ADJOURNMENT: MARGARINE INDUSTRY.

On the motion of the Chief Secretary that the Council do now adjourn,

The Hon. F. J. CONDON (Leader of the Opposition)—It is not usual for a member of this Chamber to speak on the motion for adjournment, but I take this opportunity to say that in my opinion courtesy has not been extended to me in particular in reference to matters that I have brought before this House. I intended to give notice of my intention to introduce a Bill dealing with the margarine quota, but now I will be denied that right until November 1. I know that this proposal is not altogether popular with some members, but I am sure they will at least give me credit for trying to be consistent in my opinions. I regret that it is necessary for me again to mention this subject to which I have referred on many occasions. I do not quarrel with any member who holds an opinion that is different from mine, because it is every member's right to be treated with respect on any matter he brings before this Chamber.

I am raising the question of increased quotas of margarine because the Government has not considered it in the way it should be done. On several occasions, both privately and in this Chamber, I have asked for information but it has been denied me. On one occasion I asked whether I had to go to another State to find out the intentions of various Governments. The Ministers of Agriculture met in Canberra last June and decided to recommend to the Standing Committee on Agriculture the consideration of quotas for the various States. That committee met in Adelaide on August 30 and 31 and made certain recommendations. I have endeavoured to find out what those

recommendations were but I have been refused that information, just as my inquiries regarding the intentions of the Government have not been successful. I have been informed that no State can increase its quota unless and until a meeting of Ministers of Agriculture is called again, but the New South Wales Government has increased its quota from 2,500 to 9,000 tons although, according to a statement that I shall read later, the quota for the whole of Australia is 10,000 tons. I have communicated with the Ministers of Agriculture in other States. I have not received a reply from Victoria, but the States that have replied have informed me that their Cabinets are considering action. Despite what I have been told here, things have happened in other States. Every member is entitled to information on matters that concern the citizens of this State.

At a function this week, the Premier criticized people who have the audacity to advocate butter substitutes. He is entitled to that opinion, but other people are just as honest in their opinions. The following statement is taken from the *Sydney Morning Herald* of Thursday, October 6, 1955:—

Mr. R. B. Nott, acting Minister of Agriculture, said that for the past three years two companies in New South Wales had been producing as much margarine as they wished under the impression that the Dairy Industry Act which limited supply was invalid. A standing committee set up by the Australian Agricultural Council had decided on a limit of 10,000 tons production for the whole of Australia. The limit of 9,000 tons set by New South Wales took into consideration that this State produced almost all the margarine used in Australia. The dairying industry need have no fear of the new margarine quota. The new quota would protect the dairying industry and at the same time ensure that those who wanted margarine would get it.

The consumption of margarine per head of population in New South Wales is 3½ lb. as compared with 1 lb. in South Australia. New South Wales margarine is being imported into the South-East of this State, yet my friends opposite have fought me on every occasion that I have endeavoured to do something to increase our quota, and sit back and do nothing to protect the industry. If we are not going to have increased quotas, very well, but what I object to is the closing of factories in South Australia while importations from other States are permitted at a price above that fixed by the Prices Commissioner. Today, as was the case 12 months ago, local manufacturers are not allowed to produce any more margarine because they have reached their quota and I

say again that there is no other industry in South Australia that Parliament has told it cannot manufacture any more and must close down. Because this is done people on the lower rung of the ladder, old aged pensioners and others, are not permitted to obtain this South Australian production that they desire to use, while at the same time this Government is in favour of pegging the basic wage which is now 13s. a week lower than if the adjustments had been allowed to operate. I do not bring this matter up simply for the sake of doing it, but to protect those who are not in a position to pay 4s. 5½d. a lb. for butter, or at most can buy only limited quantities of it.

The Hon. C. R. Cudmore—Would you let them have margarine wherever it came from?

The Hon. F. J. CONDON—I have told my friend before that if there were no quota I would favour an open go in the issue of licences, but if we insist on quotas we must protect the people already in the industry. If we permit the manufacture of only 464 tons a year what is the use of giving other people licences? My friends opposite say they are here to protect the dairy industry, but I also do not want to do anything detrimental to dairymen.

The Hon. Sir Lyell McEwin—Why have either?

The Hon. F. J. CONDON—That is for the Government to say. It says it wants to protect the industry and therefore will not give an open go. I say, "If you will not give an open go then give an increased quota to meet the increased demand."

The Hon. Sir Lyell McEwin—Are you advocating more licences?

The Hon. F. J. CONDON—I am advocating an increased quota, and the Minister knows that.

Sir Lyell McEwin—I thought I did, but the honourable member is now saying something about licences.

The Hon. F. J. CONDON—I said in response to an interjection by Mr. Cudmore that I did not think there should be a quota, but as Parliament has decided upon a quota we must protect manufacturers who are already operating. If we fix a quota of 464 tons what is the use of giving four firms licences? If we do that, instead of the factories closing down in August they will close down in April or May. What is the Government's objection to increasing the quota? Does it suggest that nothing can be done until the next meeting of the Agricultural Council while already it is

being done in another State? Why does it not say straight out that it does not want to do it and then we will know where we stand.

The Hon. Sir Lyell McEwin—Would the honourable member observe an agreement or not?

The Hon. F. J. CONDON—I do not know what the agreement is. All I know is that other States have increased their quotas. They are not waiting until next year and they are not saying, "We cannot do anything." What right has Parliament to consider one section of the community to the detriment of others? Everybody has the right—

The Hon. L. H. Densley—Everybody has the right to live anyway.

The Hon. F. J. CONDON—The Federal Minister said that dairymen are better off today than they have ever been and the statement of the Minister of Agriculture in another State is to the effect that it would not make any difference. If my Bill of 1952 had been carried it would have meant an additional quarter of a pound a head a year. Will anyone tell me that that would have interfered with the dairying industry? Are we not today helping dairymen by paying an increased price for butter? I am not objecting to that. I am not objecting to dairymen getting a reasonable living, but I do object to people being called upon to pay that higher price for margarine manufactured in other States and then their being denied the right to buy locally manufactured margarine which is cheaper. If any other industry were affected members would have been up in arms long ago. I refer again to the statement by the Acting Minister of Agriculture of New South Wales in the *Sydney Morning Herald* of Thursday, October 6, yet I am told by the Minister of Agriculture here that nothing can be done until the next meeting of Ministers—when I do not know. The Chief Secretary mentioned public demand, and I draw his attention to the report of a Gallup Poll in the *Advertiser* of October 13, 1955, as follows:—

More Margarine Favoured: Public opinion has swung strongly in favour of allowing a big increase in margarine production, the latest Gallup Poll shows. Interviewers reminded each of the 2,000 people interviewed, that, to help the dairying industry, only 1 lb. of margarine can now be sold in Australia, at about 3s. 6d. to every 10 lb. of butter at 4s. 6d. The question then asked was: "Do you think manufacturers should be allowed to make more margarine or not?" Comparison of answers with a similar Gallup Poll nearly two years ago shows that the vote

for more margarine has risen from 48 per cent to 69 per cent.

	1953. per cent.	Now. per cent.
Make more	48	69
Don't	42	28
Undecided	10	3

People in all economic circumstances agree on this question. In no State is the majority for increased margarine production under 60 per cent. Those for more margarine were asked: "About how many pounds of margarine should be allowed to every 10 lb. of butter?" Answers show a majority for permitting a five-fold increase in margarine production to 5 lb. against every 10 lb. of butter. More than half of the people interviewed said they now used margarine.

The Hon. W. W. Robinson—What about free trade?

The Hon. F. J. CONDON—We know the honourable member is always ready to draw a red herring across the trail, but margarine was sold in his district last year and he did not think of the dairymen then. He did not care a continental so long as he closed the business in South Australia. Although we are limited in South Australia to 464 tons, Western Australia, with a smaller population, is permitted to produce 600 tons. South Australia has the smallest quota of any of the mainland States. It is suggested that we should put the shutters up, and yet at the same time we permit margarine to be imported from Victoria and New South Wales, and the cost is above the regulated price allowed for the local product. How can honourable members reconcile that position? If the other States are not keeping to the quotas recommended by the interstate conference of Ministers of Agriculture, why are we giving effect to them here?

The Hon. E. Anthony—Are we the only State standing out?

The Hon. F. J. CONDON—Apart from New South Wales and Victoria, I do not know what the other States have decided to do. Whereas Western Australia's quota used to be 350 tons it is now 600. All I know is that the other State Governments are considering the matter, but I cannot get any information on the position here. I seem to be scrubbed off and no notice is taken of what I say. That is a wrong attitude. If South Australians desire to purchase a cheap article, they should have the right to do so.

The Hon. W. W. Robinson—Cheaper Japanese goods!

The Hon. F. J. CONDON—Those who protest about cheaper imported goods are the first in their own business to take advantage of

the cheaper articles, no matter from what country they come. I will not accept that as an argument, and if anyone tries to accuse me of favouring cheaper labour or lower wages, I will tell him where he gets off. I am not asking that we should do what is being done in the other States. What I have suggested will not interfere with the dairying industry. If the Bill I introduced in 1952 had been carried we would not be in the present position. Our increased population, with the consequent increased demand, warrant the early consideration of this case. Not only one section, but all sections, of the community should be considered.

The Hon. L. H. DENSLEY (Southern)—The motion has given Mr. Condon an opportunity to indulge in a tirade against the Government and dairymen, and therefore I should like to have something to say on the matter.

The Hon. F. J. CONDON—On a point of order, Mr. President, I did not enter upon a tirade against the dairymen. I am out to assist them, and will do nothing to their detriment. I object to that statement.

The Hon. L. H. DENSLEY—I withdraw the comment, but Mr. Condon did criticize the Government for not making certain information available. It has been Parliament's policy to be guided on these matters by the meeting of the Agricultural Ministers, who make recommendations concerning the manufacture and sale of margarine. If the honourable member has information of the outcome of these meetings which is not available to the South Australian Government or other members of Parliament in this State, he must have got it from a source which is not available to the average honourable member.

The Hon. F. J. Condon—Go to the Library, and you will see it for yourself.

The Hon. L. H. DENSLEY—The honourable member said that he did not make a tirade against dairy farmers, but he did criticize them. The South Australian Government has spent large sums in establishing returned servicemen on the land to produce dairy products. That was done as a gesture to those who fought in the war, and is in line with the views of the community generally. Land was bought at high prices, and the development of the areas and the purchase of cows involved large expense, and then came the falling off in the price of butter overseas. This has made the position very difficult for the average dairy farmer. If we are to continue to honour

our obligations to these returned soldiers, we must protect their industry. I thought it was the accepted philosophy of the honourable member to favour protection within Australia. If he wants cheap goods, I can assure him there are many sources of supply, and their purchase would result in the cheapening of living in Australia—that is if he wants it that way. In attempting to honour our obligations to the returned men, it is our responsibility to give them the opportunity to make their industry pay.

No other industry is faced with the same necessity to work long hours. It is an industry in which the dairymen are virtually forced to get their wives and children to assist them, and they actually work on a lower standard of living, taking into account the hourly basis of wages, than any other industry. It is regrettable if we at this stage do anything to limit their income or take any steps likely to put them out of business. Margarine is made from an oil produced by cheap labour in a country which is not in competition with the wages or standards ruling in Australia. It is deplorable and undesirable that we should take any steps to increase the margarine output or reduce the standard of living of dairy farmers.

The Hon. K. E. J. BARDOLPH (Central No. 1)—The honourable member was quite wrong when he attempted to imply that members of the Opposition, particularly the Leader of the Opposition, desired that the dairy farmer should not be able to earn a fair living.

The Hon. L. H. Densley—I think you were out during most of the debate.

The Hon. K. E. J. BARDOLPH—I was not. The honourable member does not enhance his case by being facetious. His statements are divorced from the facts. It was during the regime of a Commonwealth Liberal Government that the dairy farmer was forced to engage his wife in the industry from sunrise to moonset, and his children before their going to school and on their return in order, in many cases, to meet his liabilities. It was left to a Commonwealth Labor Government to fix adequate prices for the dairy farmers' products, which made it possible for them to progress over the years when Divine Providence permitted this Government to reign. As a result they were not only able to pay off their capital indebtedness, but do something to enable them to live as the Australian Labor Party desires all Australian citizens to live, namely, under decent conditions.

The argument adduced by Mr. Densley that the Leader of the Opposition desires the conditions pertaining before the advent of the Commonwealth Labor Government is not in accordance with fact. We do not desire an increase in the production of margarine in South Australia to the detriment of the dairy farmer, but wish to see him, as has been proved by our actions over the years, take his place in the Australian democracy. Mr. Condon's statements this afternoon were distorted by Mr. Densley, but whether it was done for political purposes I do not know. Therefore, I thought it was right to mention that the prosperity enjoyed by primary producers, particularly by dairy farmers, had its genesis when the Commonwealth Labor Government came into office.

The Hon. S. C. BEVAN (Central No. 1)—From time to time this subject has been debated in the Council. It seems foolish that we should restrict the production of margarine in this State and yet at the same time allow the same product to be imported from other States. That does not tie up with my reasoning. The attitude evidently is that when the local manufactured product is sold it is all right to import further supplies provided they comply with the Pure Foods Act. It is beyond doubt that there is a big demand for margarine in South Australia. We do not hear honourable members advocating the abolition of importations from another State because it would have a detrimental effect upon our dairy farmers. We have never heard any remarks on that angle, and no objection is taken to importations. We know that under the Commonwealth Constitution it is impossible to prohibit the importation of articles from the other States, provided they comply with the required health standards. If it is detrimental to the dairying industry for margarine to be manufactured in this State,

surely it is just as detrimental to import it from other States. From time to time I have heard it said in this Chamber that price control should be removed and that we should have open competition, but in this matter that is forgotten. How many members who say they want to protect the dairy industry protested when the producer recently received only an extra 1d. a gallon, yet the vendors were granted 3d. a gallon for collecting and delivering milk to consumers? The vendors received the increase because of increased wage margins, but the producers, whose wives and families, it is said, have to be brought into the industry to enable them to carry on and whose standard of living is sometimes lower than that of the ordinary workers, received only a small increase.

The Hon. C. R. Cudmore—How much does the vendor get?

The Hon. S. C. BEVAN—He got 3d. when the producer got only 1d., but did the honourable member or any other member of this Chamber protest? There is a demand for the margarine produced in this State. In this morning's *Advertiser* appeared a letter from an important member of the dairying industry, and his only objection to margarine was that cocoanut oil imported from other countries is used in its manufacture. If it were manufactured from vegetable oils there would be no objection, so I cannot understand why margarine is detrimental to the dairy industry. The Leader of the Opposition has asked for an increase in our quota because of an increase in population and demand. Surely it is better to foster production in our own State than to allow margarine to be sent here from other States and sold at a higher price than the local article?

At 4.22 p.m. the Council adjourned until Tuesday, November 1, at 2 p.m.