LEGISLATIVE COUNCIL.

Wednesday, November 2, 1955.

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

MARGARINE ACT AMENDMENT BILL.

The Hon. F. J. CONDON (Leader of the Opposition), having obtained leave, introduced a Bill for an Act to amend the Margarine Act, 1939-1952. Read a first time.

The Hon. F. J. CONDON moved—

That the Standing Orders be so far suspended as to enable the second reading to be proceeded with without delay.

The Council divided on the motion—

Ayes (12).—The Hons. K. E. J. Bardolph, S. C. Bevan, F. J. Condon (teller), J. L. Cowan, E. H. Edmonds, A. A. Hoare, N. L. Jude, Sir Lyell McEwin, W. W. Robinson, C. D. Rowe, C. R. Story, and R. R. Wilson.

Noes (7).—The Hons. E. Anthoney, J. L. S. Bice, C. R. Cudmore (teller), L. H. Densley, A. J. Melrose, Sir Frank Perry, and Sir Wallace Sandford.

Majority of 5 for the Ayes.

Motion thus carried.

The Hon. F. J. CONDON—I move—

That this Bill be now read a second time.

I thank members for giving me the opportunity to move the second reading this afternoon. I would not have sought permission but for the fact that the Council did not sit last week, has been sitting only two days a week, and as the session is drawing to a close I desired an opportunity for the Council to decide this question. The Bill is one of few clauses and amends section 20 of the principal Act with the object of increasing the State's quota of margarine from 468 to 624 tons. I will not speak at length as I have already dealt with this subject on several occasions during the present session, and I think members are well aware of the position.

The first Margarine Bill was introduced by a Liberal Government in 1932. The Hon. A. P. Blesing, as Minister of Agriculture, took a prominent part. Since then the Act has been amended by the Government on two occasions. In 1952 I introduced a private Bill which was amended by the Government, and had my Bill been passed there would be no necessity to be introducing this measure today. The new Bill does what I endeavoured to do in 1952. An increased quota is necessary because of increased population, comprising particularly New Australians, who are partial to margarine. Australia and New Zealand are the only two countries where a quota system operates. Since 1951 the State's population has increased by 87,079, and since the Bill was passed in 1952 the increase has been 65,708.

My reason for introducing the Bill is that no other manufacturing industry in South Australia is penalized by quotas, and no such action is taken regarding other substitutes. The consumer should have the right to purchase any article he desires. For the past two years local margarine factories have ceased manufacturing at the end of August. The lack of supplies results in a hardship, particularly to pensioners and those consumers on the lower income range. Why should we say to consumers that they are not to purchase a certain commodity, provided it complies with the standards set by law? The price of butter has advanced by 4d. a lb. in recent months and at the same time consumption has increased. For more than two years wages have been pegged, therefore why should the public not be permitted to buy more margarine if it so desires? There is a strong demand for the product for the reasons I have mentioned. In support of that I place on record a report of the Gallup Poll published in the *Advertiser* last month, which was as follows:—

More margarine favoured—Public opinion has swung strongly in favor 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. lb., to every 10 lb. of butter at 4s. 6d. lb.

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 p.c.	Now p.c.
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 fivefold 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.

People in various economic circumstances agree on this question. In no State is the majority in favour of increased production under 60 per cent—in other words 60 per cent of the people would favour this Bill. If I were to introduce a Bill providing for a quota per head of the population on the basis of the 11,000 tons manufactured in Australia, I would have to double the quantity I have mentioned in the Bill. However, I am not doing that, but asking for only a small increase and one not beyond that I asked for in 1952. Restrictions have been imposed on the margarine industry but in view of the pressure of economic necessity and the fact that there is a social need for margarine, that need must be satisfied. I shall refer to what I said in this Chamber a few weeks ago. In my statement I quoted from an article in the *Sydney Morning Herald* on October 6. My statement was doubted by the Minister of Agriculture (the Hon. A. W. Christian), therefore I quote from the New South Wales *Hansard* to show that what I said was correct. On October 5 the Acting Minister of Agriculture (Mr. R. B. Nott) in reply to a question about margarine quotas, said:—

It is a fact that the quota of margarine in New South Wales has been 2,500 tons for some years and that Cabinet decided yesterday to increase it to 9,000 tons. The quota of 2,500 tons has existed in name only because, for the past three years at least, production of this commodity in New South Wales has been unlimited. Two companies producing margarine declared that the Dairy Industry Act was invalid, basing their claim on the opinions of Sir Garfield Barwick, Q.C., and another leading Q.C. who has recently been appointed a judge of the High Court. The companies were good enough to forward these opinions to the Department of Agriculture. About six months ago the case was determined by the High Court of Australia, which decided that the Dairy Industry Act of this State was valid.

This matter was fully discussed at the last meeting of the Australian Agricultural Council in Canberra, when an effort was made to determine the quota for Australia. The State Ministers were unable to agree and it was decided that the matter should be left to the Standing Committee, which consists of the Under Secretaries of the Departments of Agriculture of each State and of the Commonwealth Department of Agriculture. It met in Adelaide about three weeks ago and decided that 11,000 tons should be the quota for the whole of Australia.

South Australia receives only one-twentieth of this total quota, although it has about one-ninth of the total population. The Minister went on to say:—

Yesterday Cabinet decided that, in view of the quantity of margarine manufactured in this State and of the fact that no margarine is manufactured in Western Australia, South Australia or Tasmania, the quota should be 9,000 tons a year to cover the quantity consumed in this State and to allow for an export to other States.

There are two factories in South Australia and they were compelled to close down in August. They dismissed their staffs and when they want to start work again on January 1 next year they will not be able to obtain employees. Nobody could convince me that an increased quota would weaken the dairy industry because, although an increased quota was granted in 1952, butter consumption has increased. If the 1952 quota was a fair one, which I do not accept, there should be a further increase because of a bigger population. People on low wages cannot afford to buy all the butter they require, so why should we deny them the right to purchase a cheaper article? Is that done in relation to any other commodity? My case is unanswerable. Surely this Council is not in favour of closing down industry. It is all very well to say that the quota should be spread out over the year, but that cannot be done.

I have been in touch with other States on this matter. It may be said here that we will not move because other States are not moving, but the extract that I read from the New South Wales *Hansard* proves that is not so. In Queensland this matter does not have to be submitted to Parliament, in Tasmania the Cabinet is now considering it and in Western Australia the quota is 600 tons, although its population is much smaller than ours. People in this State are getting the thin end of the stick in this matter. I have asked many times in this Chamber if the Government could tell me of any other industry which is subject to quotas.

The Hon. E. Anthoney—Cannot margarine be bought here?

The Hon. F. J. CONDON—Not unless it is imported. The Government says that it does everything possible to prevent its importation from other States, but what can it do about it?

The Hon. N. L. Jude—Would you suggest that grocers in Mount Gambier sell margarine as butter?

The Hon. F. J. CONDON—I would not suggest that. The Minister has helped to close down factories because he has refused to agree to increased quotas, but when butter was brought here from another State at a higher price he did not protest. What did

he care about the people he says he protects? He did not raise his voice—

The Hon. N. L. Jude—Of course I did not, because we did not have any butter ourselves.

The Hon. F. J. CONDON—Should any section of the people receive special treatment? Is not everyone entitled, in this allegedly democratic country, to purchase what they desire provided it complies with the standards prescribed by law? The Minister should be careful of his interjections, because it would be a bad thing to offend his constituents in Mount Gambier.

The Hon. N. L. Jude—Can you buy margarine in Mount Gambier?

The Hon. F. J. CONDON—Yes, and I will tell the Minister privately the name of the firm that imported it.

The Hon. N. L. Jude—Then it connived in breaking the law.

The Hon. F. J. CONDON—It is not breaking the law. Mr. Cudmore asked me on a previous occasion by what law we could prevent margarine being imported. It cannot be done.

The Hon. C. R. Cudmore—Of course not.

The Hon. Sir Frank Perry—There is a by-law which tries to do it.

The Hon. F. J. CONDON—No by-law can over-ride section 92 of the Commonwealth Constitution. My request is a reasonable one. I am simply asking this Government to give to the consumers of South Australia the same consideration as is meted out to consumers by other Governments. Had I adopted the standards set by other States I could have fixed my quota at 1,256 instead of 648 tons.

The Hon. C. R. Cudmore—Perhaps we can increase it for you.

The Hon. F. J. CONDON—Any suggestion my friend submits will at least have my consideration because I have no personal feelings in the matter. I have been accused of having a smack at the dairyman, but this is nothing of the sort. I am prepared to pay an increased price for butter if it means giving better conditions to the people on the land. It is true that the dairyman works long hours seven days a week, and they ought to be paid for it, but there are others who work seven days a week in their own homes and they should have the right to purchase an article for the remaining five months of the year as they did in the first seven months. If the Bill is carried it will simply mean a quarter of a pound of margarine per head of population per annum. Will that injure anyone? I assure members that this is a burning question as I think I have shown this afternoon, and no section of the people has a right to be protected against the interests of the majority of the people.

The Hon. Sir LYELL McEWIN secured the adjournment of the debate.

APPROPRIATION BILL (No. 2).

Received from House of Assembly and read a first time.

PHYSIOTHERAPISTS ACT AMENDMENT BILL.

Received from House of Assembly and read a first time.

COAL ACT AMENDMENT BILL.

Read a third time and passed.

SUPPLY BILL (No. 3).

Adjourned debate on second reading.

(Continued from November 1. Page 1291.)

The Hon. F. J. CONDON (Leader of the Opposition)—I take this opportunity to pass a few comments with reference to Government employees. For a number of years the State Public Service has been undermanned. Many people have left the service because better opportunities are offering elsewhere. Private enterprise has no consideration for the Government and entices men to leave the various departments by offering them higher wages and better conditions. The Government has been advertising overseas for years for professional men and a few have come to South Australia. I suggest, however, that as the Government pays their fares the contract for employment should be of longer duration. At present they can fulfill their obligations by serving two years only. The Education Department has been advertising for teachers and offering to pay their fares, but does it offer them a reasonable wage?

Overtime in the Government Service is something that ought to be examined. Because private enterprise is offering higher salaries plus overtime it is very difficult to keep men in the Public Service and the result is that, in an effort to retain staff, the working of overtime is sanctioned, often unnecessarily, on information supplied to me. If the Government does not agree to pay overtime on Saturdays, men will go elsewhere and all this must result in increased public expenditure.

The Hon. E. Anthoney—Doesn't it all stem from the 40-hour week?

The Hon. F. J. CONDON—My friend always talks about that, but he represents interests whose profits have increased. Pick up any published balance sheet and one will see that, despite the 40-hour week and allegedly high wages, profits have increased. If men want a 40-hour week they should have it. I am not one who says there should not be overtime, but a full investigation to ascertain if much of this overtime is warranted would not be a bad thing. If we want to retain highly skilled men in the Public Service they must be paid a satisfactory salary in order to compete with private employers. I support the Bill because it measures up to increased wages and the decisions of courts and wages boards.

The Hon. E. ANTHONEY (Central No. 2)—The honourable member has raised a question which could induce considerable debate. I interjected that most of his troubles stemmed from the 40-hour week and I think most members would realize the truth of that. Not only private industry, but Government industry must try to keep pace with the position, which means that an augmented amount of overtime has to be paid for. The Government is faced every day with the problem of retaining its men—not because they are dissatisfied with the service, but because outside industry is able to offer higher wages. I think that in the long run they would be infinitely better off if they stayed in the Public Service. The Government is losing valuable men from many departments because outside industry can offer more. Every increase in wages and salaries affects the cost of living. It is another case of the dog chasing its tail. We will never cope with this inflationary position until a more rational view is taken of the situation. We must ask the public to take that view in their own interests. The position is very serious and is something which cannot be lightly dismissed. Members of the Opposition could do a great service to the country if, instead of encouraging their people to clamour constantly for higher wages, they advised them to face up to the position. The clamour for higher wages will react against the very people they are trying to help.

The Hon. S. C. Bevan—They are the only section of the community carrying the burden.

The Hon. E. ANTHONEY—That is not true. It is the people on fixed incomes who are carrying the burden of inflation, not the worker. I support the Bill.

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

GAS ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

It proposes amendments of the law relating to the capital, finances and accounts of the South Australian Gas Company. The most important matter dealt with in the Bill is a proposed conversion of three-quarters of the share capital of the company into redeemable stock, subject to a provision enabling persons who object to the conversion to receive cash in lieu of stock. By this procedure the share capital of the company will be reduced by about £1,500,000 and its loan capital increased by a like amount.

As a result of the conversion the company will secure a substantial saving in taxation, because the interest on the redeemable stock will be an allowable deduction in computing the company's taxable income. Dividends are, of course, not an allowable deduction, and that is one reason why companies are now using substantial amounts of loan capital rather than share capital in their undertakings. The Government has given careful consideration to the proposals in this Bill and has not only taken into account the welfare of the company as a commercial undertaking supplying an important public utility, but has also satisfied itself that the interests of the shareholders and of the general public are fully protected. The shareholders have been informed at a general meeting of the proposals to be dealt with in this Bill and have passed a resolution asking the directors to seek this legislation from Parliament. The Government has also consulted the appropriate Commonwealth authorities, and they have assured us that they have no objection to it.

It will be convenient to explain the clauses of the Bill in the order in which they occur. Clause 3 repeals the provisions of the principal Act relating to what are called the Special Purposes Fund, the Reserve Fund and the Divisible Profits Account, and substitutes other provisions. The Special Purposes Fund was established by the principal Act in 1924, as a reserve to meet expenses incurred by reason of accidents, strikes and other unpreventable causes, and expenses incurred in the replacement, renewal or removal of plant or works and to provide contributions towards a superannuation fund. The Special Purposes Fund could not at any time exceed one-tenth of the

capital of the company, nor could any sum greater than 2½ per cent of the capital be placed in the fund in any year.

The Act also provided that the company could build up a reserve fund and a divisible profits account for the purpose of paying dividends. No other reserves except the ones I have mentioned were permitted to the company. It will be apparent that these provisions did not give the directors power to make whatever provision might be required for depreciation and contingencies. In the Government's opinion it is now highly desirable that the company should be in a position to set aside any sums which according to ordinary commercial practice may be required for depreciation and other reserves. It is therefore proposed to repeal the provisions as to the Special Purposes Fund and the dividend reserves and to give the company a discretionary power to set aside out of its revenue such sums for depreciation and for reserves as are in accordance with usual commercial practice.

Clause 4 empowers the company to capitalize interest paid on money spent on extensions of its works and plant, in respect of the period before such works and plant come into use. It is the usual practice to capitalize such interest and the company desires to do so, but it has been advised that such a proceeding is probably unlawful. Clauses 5, 6 and 7 are consequential on the repeal of the provisions relating to the Special Purposes Fund, the Reserve Fund and the Divisible Profits Account.

Clause 8 repeals the provisions contained in section 45 of the principal Act setting out the conditions on which shares in the company are to be issued. Among other things, this section requires that all new shares issued by the company shall be offered for sale by public auction or tender, and that a reserve price shall be fixed, but not publicly disclosed until after the auction has been held or the tenders received. As a result of this section, the company is prevented from making under-writing arrangements of the usual kind with respect to new issues of shares. The section would seriously hamper the company if it decided to raise more share capital, and at the request of the company the Government proposes that the section be repealed. In its place, the Bill substitutes a new provision requiring that the amount and the terms and conditions of all new issues of shares, bonds, debentures, stock or other securities and the terms of any underwriting agreement must be approved by the Treasurer.

Clause 9 provides for the partial conversion of the company's shares to redeemable stock, as I previously mentioned. It is proposed that the Minister administering the Gas Act will fix a day of conversion by a notice in the *Gazette*. On the day of conversion the par value of every £1 share of the company will be reduced to 5s. and every shareholder will become entitled to redeemable stock to the amount of 15s. for each share held by him. The redeemable stock will carry interest at the rate of 6 per cent and will have a currency of 15 years. It will rank in priority after the bonds of the company. At any time within two months after the day of conversion any shareholder may give notice to the company that he dissents from the proposal to issue redeemable stock and ask for a cash payment in lieu of the stock to which he is entitled. If such a notice is given, the shareholder will be entitled to a cash payment of three-quarters of the market value of his shares as certified by the President of the Stock Exchange. The market value of shares to be so certified will be the average price at which sales of such shares were effected on the stock exchange of Adelaide during the four weeks preceding the day of conversion. Any money to which a shareholder becomes entitled by virtue of an election to take a cash payment will carry interest at the rate of 5 per cent from the day of conversion to the day of payment.

The Bill also contains a provision which would enable the directors to call off the conversion if they thought it inexpedient to proceed with it, having regard to the amount of cash to be paid out to dissenting shareholders. As, however, no shareholders have so far indicated any objection to the proposed conversion, it does not seem likely that there will be any occasion to use this provision.

Clause 10 provides for alteration of the method of keeping the accounts of the company. At present the accounts have to be prepared in accordance with a number of forms set out in the second schedule to the Act. The Government has had these forms investigated by its officers and is satisfied that they are not in accordance with modern accounting practices of commercial undertakings. There is no reason why the company should now be tied down to obsolete methods and it is proposed to repeal the provision which obliges the company to keep its accounts in the scheduled forms. The law will then leave the company free to keep its accounts in the usual way, but the company

will be obliged to prepare and forward to the Minister and the Registrar of Companies an annual profit and loss account and a balance-sheet showing its position on June 30 each year. Clause 11 is a consequential amendment.

Clause 12 sets out to what extent the redeemable stock proposed to be issued under the Bill will be a trustee investment. It would be contrary to the present policy of the Loan Council, and not in the public interest, to lay down a general rule declaring that the 6 per cent stock is to be a trustee investment at all times. It is, however, possible that some of the shares of the company may now be held by trustees and that they may have power under the terms of the trust to retain such shares as investments. It is only fair that such trustees should have the same powers to retain redeemable stock issued to them on the conversion of their shares, as they had to hold the shares themselves. This is provided for in clause 12. Clause 13 is a consequential amendment.

Clause 14 enables the company to hold its annual general meeting at any time fixed by the directors, so long as it is not later than 15 months after the previous annual meeting. Under the existing provisions of the company's deed of settlement, the company is obliged to hold it annual general meeting in August, which has been found to be too early. It is proposed to give the directors a discretion in this matter. Clause 15 repeals the second schedule to the principal Act. This is the schedule which contains the forms in which the Act requires the company to keep its accounts. In view of the proposals in the Bill these forms will no longer be required.

The Bill is a hybrid Bill within the meaning of the Joint Standing Orders and, after being read a second time in the House of Assembly, was accordingly referred to a Select Committee for inquiry and report. After hearing evidence the Committee reported in favour of the passing of the Bill.

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

Y.W.C.A. OF PORT PIRIE INC. (PORT PIRIE PARKLANDS) BILL.

Second reading.

The Hon. C. D. ROWE (Attorney-General)—I move—

That this Bill be now read a second time.

Its object is to provide for the vesting of a portion of the Port Pirie parklands in the Young Women's Christian Association of Port Pirie. The Government has been approached by the Port Pirie Corporation with a request that a portion of the parklands at Port Pirie be vested by Act of Parliament in the association. The land in question is about three-quarters of an acre in area, and is on the corner of Gertrude Street and David Street. It is next to an area of parklands which was vested by Act of Parliament in 1910 in the Port Pirie Young Men's Association, and subsequently on the same terms in 1918 in the Young Men's Christian Association of Port Pirie. The corporation asked that the land be vested in the same manner as the land vested in 1918. It no longer requires the land as parklands.

The Government is willing that the Young Women's Christian Association of Port Pirie should have the land. After giving careful consideration whether the land could not be made available under the Crown Lands Act, the Government has decided that the best course would be to make the land available to the association by Act of Parliament. The Government has undertaken to proceed with the necessary Bill. It is felt that, as the Government undertook the introduction of legislation for the Port Pirie Young Men's Association and subsequently the Young Men's Christian Association of Port Pirie, it is reasonable that the Government should do the same for the Young Women's Christian Association of Port Pirie. The Government is accordingly introducing this Bill.

With small variations the Bill follows the lines of the Act of 1918. The variations are for the purpose of avoiding difficulties which might arise under that legislation. Clause 2 is an interpretation clause and requires no explanation. Clause 3 provides that the Governor may, after resuming the land pursuant to the Crown Lands Act, grant it to the association in fee simple, subject to the provisions for resumption and the restrictions on sale contained in the Bill. Clause 4 enables the Minister of Lands if he is satisfied that the land is not being used principally for the objects and purposes of the association, to give notice to the association requesting the association to use the land principally for the objects and purposes of the association. If the association does not comply with the notice within three months, the clause provides that the Governor may resume the land, subject to any rights obtained by any person under or through a mortgage of the land.

Clause 5 provides that the association may not sell or otherwise dispose of the land, but may nevertheless mortgage the land for not

more than £3,000. Clause 6 provides that the lands shall be exempt from rates while it is occupied by the association. The only variation from the terms of the Act of 1918 which calls for comment is in clause 5. The Act of 1918 does not specifically prohibit the Young Men's Christian Association of Port Pirie from selling the land, but its terms are such that it is most doubtful whether or not the land could be sold. The Government has decided that this point should be made clear, and takes the view that the association should be restrained from selling or otherwise disposing of the land. This would be consistent with the power of resumption given by the Bill and clause 5 provides accordingly.

The Bill is a hybrid Bill within the meaning of the Joint Standing Orders and, after being read a second time in the House of Assembly, was accordingly referred to a Select Committee for inquiry and report. After hearing evidence the Committee reported in favour of the passing of the Bill.

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

WHEAT INDUSTRY STABILIZATION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 1288.)

The Hon. F. J. CONDON (Leader of the Opposition)—One would have thought that we had heard enough about wheat in this House over the last few months, but today we are asked to amend an Act that was passed only last year. Its principal object is to give the Wheat Board authority to deduct tolls due by members of the bulk handling company. My chief object in speaking to this Bill is that I think the Australian Wheat Board is not giving enough consideration to the millers. It has issued instructions throughout the country and the metropolitan area that millers must take 70 per cent of pool 18 wheat and 30 per cent of that from pool 19. A few months ago wheat was railed from Gladstone to Loxton although thousands of bags of wheat were already stacked there.

The Hon. C. D. Rowe—What was the explanation of that?

The Hon. F. J. CONDON—It was done to get rid of the 18 pool wheat, and although millers may have had 19 pool wheat on their premises they were compelled to drag the other wheat for distances up to 300 miles. The wheat from 18 pool is of inferior quality because the mice have been at it.

The Hon. N. L. Jude—Is it unsuitable for milling?

The Hon. F. J. CONDON—How can a good article be made from an inferior product, and how can we compete in world markets with inferior products?

The Hon. L. H. Densley—What do you suggest?

The Hon. F. J. CONDON—That it should be 50/50. If the Wheat Board is compelled to get rid of inferior wheat it should not put manufacturers at a disadvantage by insisting that 70 per cent of their supplies must be inferior wheat. Some have bought premium grade wheats but are forced to use large quantities of inferior grain.

The Hon. L. H. Densley—So long as they are all treated alike it is all right.

The Hon. F. J. CONDON—Other States have bulk handling and all the wheat goes into one bin, but it is a different matter in South Australia because our wheat is bagged. I am inclined to think that South Australia has been penalized because of the different circumstances here. The Minister of Agriculture should note millers are definitely handicapped.

The Hon. E. H. Edmonds—How are they handicapped? They all get the same price for flour.

The Hon. F. J. CONDON—They cannot compete overseas because they have to manufacture an inferior article. If the wheat were all averaged the quality of our flour would be better. In regard to the local consumer the position is different, but when we have to rely on a 50 per cent export trade we must compete in the world's markets. If, instead of making it seventy-thirty, we made it fifty-fifty there would be a better opportunity to do that.

The Hon. E. Anthoney—It would not overcome your objection to carting?

The Hon. F. J. CONDON—I should say that there are mills in places much closer to where grain of the required variety is grown. It seems ridiculous to truck wheat from Gladstone to Loxton while there are thousands of bags there which cannot be touched simply because they are in the No. 19 pool. There are some places in South Australia which grow high quality wheat, but there has not been enough supervision over grading. Under the bulk handling system high quality wheat is mixed with f.a.q. wheat. I do not know when the company will commence to operate. It is erecting bins at Bute and Paskeville, but what is the use of that until there are terminal bins at the ports? It is

putting the cart before the horse once again, and it will involve extra expense which the farmer will have to meet.

The Hon. E. Anthoney—He went into it with his eyes open.

The Hon. F. J. CONDON—I do not know that he did. That is where I differ with some people. I think this Bill will afford some protection for the man who puts his wheat into the bin, but I think the point I have raised is one that the Minister of Agriculture might well consider.

The Hon. W. W. ROBINSON (Northern)—This Bill contains amendments rendered necessary by the passing of the Bulk Handling of Grain Act. It is proposed to empower the Wheat Board to deduct certain tolls and charges due to the bulk handling company from payments due to the growers, and the Bill also corrects a misprint in the principal Act. When we passed the Act last year we gave the Australian Wheat Board authority to deduct tolls, but did not impose an obligation on the board to do so. This is covered by clause 4, but it is not clear to me whether that authority shall be given subsequent to the passing of this Bill, or whether it is provided for in the rules of membership of the company. I shall be pleased to hear the Minister's opinion of this. Those who have not signed the agreement are not liable to pay the tolls, but under the provisions of clause 4 they will be compelled to make their contribution—

The Hon. E. Anthoney—If they use the system they will have to pay the toll.

The Hon. W. W. ROBINSON—Yes, but I am doubtful with regard to non-members of the company. Anyone who signs the agreement and uses the system has to pay 3d. a bushel for the first year and 6d. in subsequent years. I consider it reasonable that anyone using the facilities should pay something, but I am concerned about the person who has no facilities provided. Under the agreement which they sign where facilities are not provided they pay 3d. a bushel in the first year and 2d. in subsequent years. On my calculations a farmer who grew 2,000 bags of wheat (about 6,000 bushels) would pay £75 for the first year, and £50 in subsequent years, and he may go on doing that for seven or eight years before any bulk handling provision is made, and some may never get the facilities. I hear interjections to the effect that they agreed to make these payments but I do not consider that the position was fully explained to them, or that they realized what the full costs would be.

Under bulk handling a toll of 6d. a bushel will be levied, and a charge will be made by the Wheat Board at the rate of 7½ per cent on the capital outlay, which I estimate will be over £7,000,000. When the Bulk Handling Bill was introduced the estimated cost of the project was £4,850,000 plus the cost of purchasing the Ardrossan installation, a further £250,000, so it is reasonable to suppose that the Wheat Board will charge the Bulk Handling Company about £200,000 for it, which would make the total cost of the bulk handling system, according to the estimate, more than £5,000,000. However, since the company has commenced operations it has discovered, as many thought it would, that the costs are much greater than were expected. I have that on the authority of the chairman of the provisional board, so it is reasonable to suppose that the scheme will cost at least £7,000,000; I would put it at £8,000,000 or £9,000,000. A charge of 7½ per cent on £7,000,000 is equivalent to 6d. a bushel. In addition the farmer's outlay on plant, about £1,000, has to be taken into account, and interest at 5 per cent on this sum is £50. Depreciation on a basis of 15 years amounts to £66 making his own total interest and depreciation, £116, which works out at 4d. a bushel on a 2,000 bag crop.

The Hon. K. E. J. Bardolph—But you voted for the scheme.

The Hon. W. W. ROBINSON—I did, but I am now submitting a few relevant points because I think a warning should be given. I represent over half of the wheatgrowers in the State, and I think it imperative that the position should be pointed out to them, and that the directors of the company should be very careful with regard to expenditure. On the opposite side of the picture, the cost of bags has been gradually falling. A few years ago it was 70s. 10d. a dozen, whereas today it is 32s. 7d., which represents 11d. a bushel.

The Hon. F. J. Condon—I think the Australian Wheat Board paid for their bags.

The Hon W. W. ROBINSON—In 1952-53 the board had on hand 124,626 bales for which it paid 70s. 10d. a dozen, and during the year it purchased an additional 117,250 bales. The average price was 41s. a dozen, but the price paid by farmers averaged 55s. 6d. This has been going on for many years, and was responsible to a great degree for the clamour for bulk handling, although during a great proportion of that time the farmers were receiving a return for secondhand bags. Today the price of bags imported on a free market is about 25s. a dozen, or 8d. a bushel. The

cost of sewing bags is 70s. a hundred, which works out at 9d. a bag, or 3d. a bushel. When wheat is marketed the farmer benefits by the weight of the bags, which is paid for as wheat. With wheat at 14s. a bushel the farmer receives the equivalent of 7½d. a bag or 2½d. a bushel. Comparative figures show that wheat in bags could be marketed at 11½d. a bushel, whereas under the bulk handling system it is about 1s. 4d. At least 4d. a bushel is returned for the sack, but this is offset by the cheaper ocean freight for export wheat in bulk, which is about 4d. a bushel.

On the home market, which is responsible for the consumption of about half the wheat produced, farmers could expect at least the equivalent of 6d. a bushel for the bag. I believe bulk handling will result in cheaper handling costs because it will be cheaper to pull a lever to load a boat than to load it under the old system. Today we are installing our bulk handling system at the height of the inflationary spiral in comparison with Victoria and Western Australia, which installed their systems when costs were very favourable. Therefore, we should progress cautiously.

The Hon. K. E. J. Bardolph—You supported the original Bill, but now you have a very dismal outlook.

The Hon. W. W. ROBINSON—I am issuing a warning to the bulk handling authorities and farmers to go slowly. The cost of cement when the Victorian system was put into operation was 2s. 9d. a bag, as against 8s. 3d. today; gravel cost 5s. a yard, whereas today it is 25s. or more; and labour was £4 5s. a week. but now the basic wage is £11 11s. New South Wales constructed its installations after World War I when materials were dear, and £1,000,000 was written off. Notwithstanding that, its handling costs are 5.373d. a bushel as against Victoria 3.074d. and Western Australia 5.214d., despite the fact that portion of the Western Australian scheme was constructed during a period of cheap costs. It is reasonable to assume that our handling costs will be 8d. a bushel. Handling in bags last year cost 7½d. a bushel. It is reasonable to assume that the cost of installing the bulk system will add slightly to our costs, but if common-sense prevails and the company hastens slowly and allows costs to assume a more reasonable basis, we can look forward to the enjoyment of mechanization facilities; and what is equally important, to some financial benefit as well. This legislation will be a definite advantage to the bulk handling company and also to the wheat-growers by having their charges deducted by the Australian Wheat Board. I support the Bill with the qualification I have mentioned in relation to clause (4).

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

THE NATIONAL TRUST OF SOUTH AUSTRALIA BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 1283.)

The Hon. F. J. CONDON (Leader of the Opposition)—This is a very important Bill and of great concern to people who have been interested in such a proposal for many years. I think it will meet with the approval of most of those interested. We should be proud of our historical associations and the beauty not only of our city, but of various parts of the State. Although some of the other States may have bigger populations, I think our scenery is equal to any in Australia. A few years ago there was keen agitation for the demolition of the old Legislative Council building, and it was suggested that it should be replaced with lawns and gardens. I do not think any honourable member would support the demolition of the Chamber where so much work has been achieved in the interests of the State. Many of our early pioneers were men who reached high places in public life and favoured the preservation of places of public interest and scenic beauty.

I understand that there have been two lines of thought on the question of a National Trust, but that a compromise has been effected by the interested parties. I believe this legislation will meet with their desires. After careful consideration, the Government decided to introduce this Bill which contains provisions similar to those operating in England. There are several interesting books dealing with this subject, one of which contains a record of 50 years' achievement in England. If we had had a similar trust in South Australia, we would be more advanced in this matter than we are today. I do not think we have the pride in our beauty spots we should have. For instance, our hills are disfigured because of quarries, yet within a few miles of the General Post Office there are sights that would be a credit to any country in the world. The purpose of this Bill is to restore some of nature's gifts to their proper place. I could go into what has happened in this State over a number of years, but as I support the Bill that will not be necessary.

Clause 5 sets out the objects of the trust, and it is a very laudable provision. In the *News* recently the following article appeared:—

The English National Trust has done so much in recent years to prevent the needless destruction of romantic monuments of all kinds and to conserve both the graces of old towns and the beauties of the countryside that it affords an example abundantly worthy of imitation. The National Trust, with no specific axe to grind and no selfish interests to serve, will be able, we hope, to give a lead and show how to do the right thing in the right way.

Clause 6 provides that the affairs of the trust shall be administered and managed by a council. I suggest that it will be a little top heavy because it will consist of 24 members, 12 to be nominated by various societies and 12 to be appointed at an annual meeting of the trust. Clause 7 is very important from the trust's point of view, as it provides for an exemption from State rates and taxes and also exempts gifts from succession duties. Quite recently there was a great deal of controversy about the revocation by the Government of the Younghusband Peninsula sanctuary. I think the Government took the wrong attitude in defiance of the wishes of the late Sir James Gosse. I spoke to him on several occasions about this matter and he was very firm in his opinion. When such public spirited men are prepared to make generous gifts their wishes should be respected. The trust will be able to do a good job and South Australia will be all the richer by its appointment, because it will assist to preserve objects of historic interest. I support the measure.

The Hon. E. ANTHONEY (Central No. 2)—I support this measure. Many attempts have been made by interested people in this State for the creation of a trust and, as is natural when people are contending for something, there have been differences of opinion about the form it should take. There is a lot to commend this measure. This is a young country, but we are making history day by day and year by year. As it becomes older records disappear, which may not be so apparent to us as it will be to those who follow. In a century's time people will be looking around for records of the early pioneers, but many of them have already disappeared. Many people would be quite willing to leave behind them certain very valuable records. However, they do not like leaving property to a Government, but prefer to leave it to an outside body such as this trust will be. When the trust is operating many things that will be held in perpetuity for the State will come into its possession.

In England, which is a very old country, a National Trust has operated for many years and has obtained many valuable properties. When visiting England two or three years ago, I had the great privilege of going with Sir Frank Perry to a very delightful property in Kent that had been left to that organization. Of course, the punishing taxation in England has forced many people out of their properties. The castle we visited was used as a museum, the owners occupying a few rooms at the back. That was only one of dozens of beautiful properties that have now been given to the trust. In fact, so many have been handed over that it has become embarrassed by heavy supervision and maintenance costs.

The Bill provides for the efficient management of the trust. I agree with Mr. Condon that the council will be unwieldy because it will have 24 members, although I can see that the reason for that is to make its influence as wide as possible. I can see nothing but good arising out of the measure. We have many small but interesting places in this State, such as the small cottage which was occupied by Adam Lindsay Gordon, who was a member of this Chamber for a short period. His writings were truly Australian and he acquired a great reputation. The cottage that he built is preserved by the Tourist Bureau and thousands of people visit it every year. That is only one of the interesting places that could be preserved and maintained by this trust. Others that I can call to mind are Hindmarsh's cottage and the old tollgate which, in 50 to 100 years, will be of considerable interest to many people. All over the world monuments of this type are preserved.

The Minister's introduction suggested to me that we will perhaps have another Bill to widen the scope of activities of the trustees of the National Park in order to take care of landscapes. This Bill is a good one, I can see no objection to it, so I have very much pleasure in supporting it. I trust that it will have a speedy passage through the House and will soon become an accomplished fact.

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

LAND AGENTS BILL.

Adjourned debate on second reading.

(Continued from November 1. Page 1287.)

The Hon. F. J. CONDON (Leader of the Opposition)—I am sure we are all agreed that some legislation is necessary to alter

the existing position, but I think this Bill can be better dealt with in Committee than in general debate. I have scrutinized it in the short time at my disposal, and there is only one thing I would like to question, namely, the issuing of licences to land agents by a board. I see some danger there. Under the existing law an applicant for a licence must appear before a special magistrate, and I think they are more competent to judge the qualifications of the applicant than the Land Agents Board, which may be a little prejudiced. I ask the Minister to consider that point. I realize that if an application is refused there is recourse to another tribunal, but we all know how difficult it is to upset a decision once it has been made by a board such as this. Quite a number of applicants for land agent's licences have come to me for references, and although one can perhaps give some little support as to character, when it comes to qualifications it is another matter. I have also observed that as soon as a person secures a land agent's licence he wants to be made a justice of the peace.

The Hon. C. D. Rowe—I have also discovered that.

The Hon. F. J. CONDON—It appears to be regarded as one of the qualifications. At one time justices of the peace were required by law to take their turn on the bench, but nowadays, although in some country towns justices seem to sleep on the court steps, in other towns it is difficult to get them to undertake this duty. As a community we owe a great deal to those who have performed this work in an honorary capacity for many years. My second point is that this Bill at least gives a concession to land agents. A member of Parliament is supposed to be everything; to know the laws of the land better than a lawyer, but the only time that many people can see a member is at night or on Saturdays or Sundays which throws a great deal of work upon members, especially in a constituency such as mine. Old people particularly seek the assistance of someone whom they think can help them and sometimes I find it just a little beyond me and I have to tell them they should consult, not a land agent, but a solicitor.

Land agents, and particularly legal practitioners, should welcome this legislation. We have all read and heard of action by land agents that were not a credit to the profession, but it is not always the go-getter who takes advantage of the people, for I have had occasion to take up cases with reputable firms. Some cases become very involved by the passage of time. A New Australian came to see me at Parliament House and I had to tell him that he needed, not a barrister or a lawyer, but a Queen's Counsel, to advise him. The case was so involved that it would take days to iron it out. Unfortunately, in this case the one who suffered was the purchaser although the transaction was performed by a very reputable firm. I do not suggest that there was anything wrong, but perhaps it was a question of accepting a little too much in good faith. Stricter control over the activities of land agents is necessary. I know quite a few people who have embarked on the business when over 65 years of age. They retired from their normal work and thought it a good business to get into. It is a great pity that legislation similar to this was not introduced 50 years ago. In those days land 10 feet under water was sometimes sold.

The Hon. C. R. Cudmore—It was 70 years ago that the trouble started.

The Hon. F. J. CONDON—I have heard of instances where one needed a boat to find the land sold, but today, of course, the law is much stricter. The Bill provides for the continuation of the Land Agents Board for three years. One member is to be nominated by the Real Estate Institute and two others on the recommendation of the Attorney-General. I would like to know, however, on whose nomination his recommendations are made. Are names simply drawn out of a hat, or are the appointees civil servants?

The Hon. C. R. Cudmore—There is no alteration of the constitution of the board. One must be a solicitor.

The Hon. F. J. CONDON—I am asking the Minister whether any particular body submits names to him. Part III deals with the licensing of land agents, but there is a no direct control over partnerships. An applicant for a licence must satisfy the board that he is of good character and solvent and that he has been employed in the business for two years. All these things are necessary. On the death of a licensed land agent the person carrying on his business will be deemed to hold the licence for six months unless the business is sold. This is a new provision and it meets with my approval. Clauses 37 to 39 deal with the registration of land salesmen, but there is a distinction between land agents and land salesmen. The latter may get up to anything, but a land agent has more responsibility; land salesmen come and go, whereas land agents are usually more stable. I think the law needs a little alteration in this respect.

I understand that over a number of years people from other States have, quite legitimately, secured a fair hold on certain parts of our suburbs, and there must have been some suggestion to the Government that they should be barred from doing so. This Bill does not in any way prevent land agents resident in other States from operating here, but imposes certain restrictions with which I am quite in accord. Clause 61 makes it an offence for a land agent who is not a land broker to prepare any Real Property Act document or any deed relating to any estate or interest in land; such documents must be prepared by a land broker or legal practitioner. Naturally this will be welcomed by those interested, and probably in the long run will be a payable proposition for them. It is an offence for anyone to prepare a conveyance, lease or deed relating to land without fee or reward. I have scrutinized the Bill and think a few alterations are necessary. I ask the Minister and members to consider my suggestions.

The Hon. C. R. CUDMORE (Central No. 2) —This is a very important measure and one not to be lightly treated, therefore I hope we shall have sufficient time for its consideration. We had the second reading only yesterday. A Bill which wipes out the existing legislation and contains 103 clauses takes some little time to digest and fit in with so much legislation with which it is interlocked. The history of this matter in South Australia is very interesting. The first ordinance before there was any Act of Parliament governing the question of who could do what as regards legal documents, transfers of land and so on was the Legal Practitioners Ordinance of 1845, which copied the English Act. Section 14 of the Legal Practitioners Act contains the following:—

If any person who has not obtained a practising certificate as required by this Parliament—

(*a*) for or in expectation of any gain, fee or reward, in his own name or in the name of any other person, sues out any writ or process, or commences, prosecutes, carries on, or defends any action, suit, or other proceeding in any court of the State; or

(*b*) as a practitioner does any act in any such court; or

(*c*) for or in expectation of any gain, fee, or reward, directly or indirectly draws or prepares any conveyance, lease, or other deed relating to any real or personal estate or any proceedings in law or equity,

he shall for every such offence, be liable to forfeit the sum of fifty pounds to be sued for and recovered by action of debt in the Supreme Court.

That was the original prohibition against unqualified people preparing documents or doing any legal work. In moving the second reading of the Bill now before us the Attorney-General said:—

The Legal Practitioners Act makes it an offence for anyone except a legal practitioner to prepare a conveyance, lease or other deed relating to land for fee or reward. There is some doubt whether the prohibition includes Real Property Act documents. The position is thus that anyone can prepare without charge Real Property Act documents, and conveyances, leases or other deeds relating to land. In addition, the law probably is that anyone preparing a Real Property Act document can receive a fee for the work, although he cannot sue for it. Land agents who are not land brokers frequently prepare instruments relating to land.

He then said that there were objections to this practice. What happened in this State was that Sir Robert Torrens in 1886 produced the famous Real Property Act, which has been copied all over the world and provides a wonderful system. I am not detracting from his effort and the success he achieved in producing this system, which originated in South Australia, but he did one thing. He introduced into the system the right for land brokers licensed by the Registrar of Deeds to perform certain work in connection with land which hitherto, under the Legal Practitioners Act, could be done only by a legal practitioner. Under section 271 of the Real Property Act it was enacted:—

The Registrar-General may, with the sanction of the Governor, license fit and proper persons to be land brokers for transacting business under the provisons of this Act, and may, with the like sanction, prescribe charges recoverable by solicitors and brokers for such business, by any scale not exceeding the charges specified in the twentieth schedule hereto.

That is to say, the Registrar-General could license land brokers to do the same work as solicitors, and by the schedule to the Act he fixed the fees they were to receive. There has been one increase by 50 per cent on the fees operating in 1886. I do not know how Opposition members would feel if wages had been increased by only 50 per cent on those operating in 1886, but I know there would be some comment. Land brokers had to pay a licence fee of £5 annually. There was also provision for a bond of £500, and under section 274 no person other than a solicitor or licensed land broker is entitled to sue for or receive any fees, costs, or charges for work done in reference to applications, transfers,

or other dealings relating to land. That to my mind is where we departed from the general practice. Even today in Victoria no-one but a solicitor can lodge a transfer of land or register it. In New South Wales and Victoria a land agent, land broker, or land salesman can sell a piece of land and get a contract signed, but there he finishes, and then the documents go to a solicitor, who prepares proper documents and registers them, for which he is allowed to charge according to the value of the property. That happens in every State but South Australia, with the possible other exception of Western Australia, of which I am not sure.

Under the Real Property Act land brokers were established, and no-one in this Chamber or any man in the street could tell me what is the difference between a land broker and a land agent, and where they can get their licence, what fees they have to pay or what are their qualifications. The whole thing is hopelessly complicated, and it was made more complicated because in 1925 the Land Agents Act was introduced which cited certain things about the conduct of land agents. These people had to apply for a licence. It is interesting to note that under that Act there are no definitions, in which respect it is very different from the Bill now before us. Then we further complicated the matter because in 1934 we passed the Auctioneers Act.

In 1950, after much discussion between the interested parties and the then Attorney-General, the Land Agents Act was again amended, and this exempted people licensed under the Auctioneers Act and those licensed as land brokers on certain conditions under the Land Agents Act. The whole thing is about as mixed and complicated as it can possibly be. We must have a proper look at the position and see whether we cannot simplify it. I draw members' attention to clause 5 which includes a definition of a land agent at some length, of a land salesman at considerable length, of a licensed land agent, licensed land broker, registered land salesman and registered manager. All these things are hopelessly complicated. Surely some effort can be made to put this into better order. In his speech the Minister said, "There is some doubt about the prohibition." I should like to know whether the Legal Practitioners Act prohibits people from making wills unless they are legal practitioners. It has never been held that way. Surely wills are deeds dealing with land and personal property? Ever since 1886 we in this State have been in a turmoil as to who are entitled to do these things and who are not, and I think this has been greatly to the detriment of everyone concerned.

The Hon. K. E. J. Bardolph—What about the trustee companies?

The Hon. C. R. CUDMORE—I do not think they are entitled to make wills. Some of the people they employ may be ex-employees of a lawyer's office and thus gained some knowledge that way, but legal practitioners have often benefited because half the documents prepared outside generally lead to litigation later. Mr. Condon drew attention to the point I am emphasizing by saying that he as a member of Parliament is expected to be able to do everything, but often he found that matters submitted to him were very involved. The insides of our stomachs are very involved so we have qualified medical practitioners to deal with them, not blacksmiths. The same should apply to the legal profession. We should take this opportunity to clear up the doubt to which the Attorney-General has drawn attention, and we should now say exactly what functions should be restricted to the legal profession and those that should be restricted to the land agents. We should find what is the position of a land agent *qua* a land broker or auctioneer. I realize it has been thought to be a great advance that, instead of the Registrar of Deeds simply issuing a licence to anyone who could tell him what the clauses in the Real Property Act were, there is now a course at the School of Mines for land brokers, and although there is nothing in the Act to show it, I imagine that the Registrar does not register land brokers unless they pass some sort of examination set by the School of Mines. Some years ago the Registrar drew up a schedule; in fact, he wrote a book on the Act. But what are the qualifications? What are the restrictions? I would like all these things clarified before we are asked to throw away existing legislation and to bring in a new Act that will still leave all the complications that I have suggested in the definition.

I support the general effect of this Bill. It has been introduced, of course, to tighten up the control of land agents and to restrict the people who have no qualifications from imposing on the public by telling them that they can fix up certain things for them, thereby getting unfortunate people involved in expense and difficulty. I agree with the general idea of tightening up control, but I do not think this Bill goes far enough or really clarifies the position. For instance, the

clause relating to qualifications takes away from the court the right to license a land agent and gives it to the board that we established in 1950. The clause is very loose as to what the qualifications have to be. Does it only mean that the man has to have worked for two years in a land agent's office? I realize he has to be solvent, but nobody employs even the lowest grade clerk unless he is solvent. We have to go further than that. If we are to authorize him to go out to the public as a licensed person entitled to do certain things, this needs tightening up.

Another important point is that the 1950 Act was passed as a result of conferences between a number of companies with branches throughout the State that deal with transfers and sales of land, as to the bonds they had to enter into for their managers, and various things of that sort. As far as I can see in the short time available to me since yesterday I find that many of these things have been altered by this Bill. I would like to know whether this measure alters the position by the definition of "registered manager," which is new, or what the position really is. I support the second reading in the hope that we will have ample opportunity to consider the Bill and that we will not hurry too violently in Committee so that not only members of this Chamber but other people will have an opportunity to consider the matter, because this is an important subject which affects everyone in the community.

The Hon. J. L. COWAN secured the adjournment of the debate.

ADJOURNMENT.

At 4.36 p.m. the Council adjourned until Thursday, November 3, at 2 p.m.