LEGISLATIVE COUNCIL.

Wednesday, November 9, 1955.

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

QUESTION.

NOXIOUS WEEDS ACT.

The Hon. C. R. STORY—Can the Chief Secretary say whether the Government intends to bring down a Bill this session to amend the Noxious Weeds Act?

The Hon. Sir LYELL McEWIN—No Bill has yet come before Cabinet dealing with noxious weeds, but I will obtain the information from my colleague, the Minister of Agriculture, and ascertain whether such a Bill is contemplated or in the course of preparation.

MARGARINE ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 8. Page 1433.)

The Hon. C. R. CUDMORE (Central No. 2)—I do not think it necessary or desirable to speak at great length on this Bill. I have always taken the attitude that margarine is a different thing from butter, and is used more for cooking and other purposes. I think there is a demand in this State for more margarine than we have allowed and I do not think that it would injure the dairying industry if we granted the very moderate increase suggested in this Bill. On the figures quoted in this debate it appears that this would be far less than the South Australian proportion which would be likely to be allowed after the redistribution has been made. Although the Chief Secretary suggested yesterday that we ought to wait until that happened, it seems to me that the figure suggested in the Bill is bound to be much less than the quota that would be fixed for South Australia and I therefore support the Bill.

The Hon. S. C. BEVAN (Central No. 1)—The main proposal in the Bill has been discussed on numerous occasions in an attempt to rectify the existing position and I do not desire to reiterate what I have said previously in support of an increased quota of margarine for South Australia. I listened attentively to the Chief Secretary yesterday in his opposition to the Bill and was interested in the figures he quoted, especially those in regard to factory employment in the dairy industry. During recent years public demand for table margarine has increased due, no doubt, to two factors—first, the increase in population and, secondly, the continued increase in the cost of living.

In 1953 the Commonwealth Arbitration Court in its wisdom discontinued the quarterly adjustments of the basic wage, thus freezing wages. It gave as its reason the stabilizing of prices, but this action of the court has proved to be a failure as the cost of living has continued to rise until in South Australia today the basic wage is 13s. below the actual cost of living. These conditions have caused the housewife to economize in her household budget and to look for cheaper goods and thus the demand for table margarine has increased. The South Australian Government has a duty to the public to meet that demand in some degree at least, and not deny people the right to purchase locally manufactured goods. The present legislation was designed to protect the dairy industry by not allowing the unrestricted manufacture of a substitute for butter. I can agree with that sentiment, and the present quota has given the protection desired, but is that quota fair and just in relation to the demand, and would the increase suggested be detrimental to the dairying industry? I am of the opinion that it is not fair and just and that the increase would not be detrimental to dairying. It is of interest to note the quota for home consumption of butter and cheese for the year ended June 30, 1955, as follows:—

1954.	Butter. Per cent	Cheese. Per cent.
July	88.64	100.00
August	81.25	67.61
September	69.64	42.59
October	57.97	32.86
November	54.79	33.82
December	50.00	36.92
1955.		
January	59.70	48.00
February	72.72	66.66
March	83.33	74.07
April	75.47	100.00
May	88.89	100.00
June	97.56	100.00

These quotas for local consumption were declared by the Commonwealth Dairy Produce Equalization Committee Ltd. and were adopted by the South Australian Dairy Board. There has been an increase in dairy factory production in South Australia, and I shall confine my figures to the years 1951-2 to 1954-5. They are as follows:—

	Butter.	Cheese.
1951-2	7,767	10,615
1952-3	7,630	10,454
1953-4	7,580	11,627
1954-5	8,502	13,103

The year 1951-2 coincides with the date of the amendment of the legislation introduced in 1952. We must remember that the production of both commodities is dependent upon milk. The price received for first grade butter fat for the year ended June 30, 1955, was 4s. 3¼d. a pound, which included the Commonwealth bounty. The number of dairy cattle in South Australia increased from 192,358 in 1952 to 216,882 in 1955. Despite the increase in dairy production and the number of dairy cattle there has been no corresponding increase allowed for margarine production. Our present quota for margarine is 468 tons a year and the Bill seeks to increase that to 624, an advance of 156 tons. When the present quota is reached, the manufacture is stopped and margarine imported from another State, I assume from New South Wales, to meet local demand. I venture to say that that has not been detrimental to the dairy industry. If it had been, surely stronger efforts would have been made to prevent its importation.

The Hon. L. H. Densley—Have you seen that margarine has been imported recently?

The Hon. S. C. BEVAN—No. However, my information is that a considerable quantity was offered in Mount Gambier recently. One could have at least expected honourable members representing dairy farmers to protest against this practice, but I have heard of no protest. I understand that the margarine quota is fixed by an interstate conference of State Ministers of Agriculture, but at the last meeting they were unable to agree and the matter was left in the hands of a standing committee consisting of the Under Secretaries of the Departments of Agriculture of each State and of the Commonwealth Department of Agriculture. This committee has since met in Adelaide and must have arrived at a decision, but what it was we do not know. Yesterday, the Chief Secretary stated that this committee had no power to make decisions, but only recommend. I understand that the State Ministers have not met since their meeting in Canberra.

The Hon. E. Anthoney—How long ago was that?

The Hon. F. J. Condon—Last June.

The Hon. S. C. BEVAN—I am wondering whether this committee has the power not only to recommend but to make decisions. New South Wales increased its quota from, firstly, 1,249 tons a year to 2,500 tons, an increase of 1,251 tons, but now it has been raised to 9,000 tons, a further increase of 6,500 tons. It was agreed by the committee, whether it has the authority or not, that 11,000 tons should be the quota for the whole Commonwealth, but New South Wales is now going to manufacture 9,000 tons, leaving only 2,000 tons for the remaining States. This seems rather an ambiguous situation when the 1953 margarine production is considered. In a report issued by the Commonwealth Economic Committee under the heading "Vegetable Oils and Seeds," the following statement appeared:—

> In Australia production of table margarine is limited by State quotas which at June, 1953, permitted the maximum annual output of 10,500 tons, of which 5,340 tons were from Queensland and 2,500 tons from Victoria.

The Commonwealth quota has now been set at 11,000 tons, of which New South Wales will get 9,000 tons, leaving only 2,000 tons for all the other States.

The Hon. W. W. Robinson—But Queensland could still have 5,000 tons.

The Hon. S. C. BEVAN—How could they, if the whole quota has been set at 11,000?

The Hon. E. Anthoney—Quite a few in New South Wales have been producing above the quota.

The Hon. S. C. BEVAN—That may be so. Two companies were producing the quantity they desired because they had been told by eminent Queen's Counsels that the legislation was invalid, but the High Court decided it was valid.

The Hon. E. Anthoney—Has the Privy Council decided on it?

The Hon. S. C. BEVAN—Not to my knowledge. Yesterday the Chief Secretary said that if this matter gets out of hand anything can happen, but this Bill will not enable manufacture to get out of hand. When giving his reasons for opposing the Bill, the Chief Secretary also said that a quantity of cooking margarine is manufactured in this State. Surely he does not expect people who cannot afford butter to buy cooking margarine for the table. Cooking margarine has nothing to do with this matter. Either New South Wales has broken faith with the other States, or the other States are allowing New South Wales to export to them the greater part of the increase to which I have referred. This is a big advantage to New South Wales at the expense of South Australian industry. If margarine is allowed to come here from other States, probably in increased quantities, why do we quibble about increasing our local manufacture?

The main vegetable oils used in the manufacture of margarine are ground nut, cotton

seed, coconut, palm kernel and palm. The main vegetable oils used in Australia are ground nut, coconut, with a small proportion of hydrogenated oils. Australia is one of the few countries where animal fats are of outstanding importance in margarine manufacture, thus reflecting their low prices relative to those of coconut and other vegetable oils. Although the Bill is asking very little, it would create a greater demand for our local animal fats supplied by the Metropolitan Abattoirs, and it would assist not only the manufacturer of margarine but also the abattoirs. In the *Advertiser* of October 19 last a letter from a person who has had years of experience in the dairy industry appeared. That was on the day following Mr. Condon's comments relating to an increase in margarine quotas. The author (Mr. A. A. Osborne) wrote as follows:—

In recent months a good deal of propaganda has appeared in Australian leading newspapers advocating an increase in the quota of table margarine, or in other words, an imported butter substitute.

It is not an imported butter substitute, but is manufactured here. The letter continues:—

Indeed, in our own State, we find that some of our leading politicians are not only advocating such a step, but are ready to introduce a private Bill to increase the quota of butter substitute.

Fancy the audacity of some of our leading politicians introducing such legislation! That is unheard of, according to this man. The letter then went on:—

In my view, we should all vote for the total prohibition of the sale of imported imitation butter while we have sufficient butter produced in Australia to meet all of our needs.

I agree that we should prevent the sale of imported imitation butter, but we should increase our quota of margarine in an attempt to stop its importation into this State. The letter goes on to say:—

The time will come, I think, when there will not be sufficient butter produced to meet our need, and when that time comes we could increase the imitation butter quota without harm to our hard-worked dairymen and their families.

Then he says:—

I want to make it clear that the dairying industry has never objected to the manufacture of margarine for cooking purposes, from animal fats produced in Australia, but it is totally opposed to the imported cocoanut fat which is marketed in Australia disguised as something which is as good as butter.

That refers to the importation from an Australian mandated territory of a small proportion of cocoanut oil. The larger proportion of margarine is made from animal fats, so I feel that there could be no detrimental effect to the dairy industry if the quota were increased as suggested. I emphasize that we are already importing margarine manufactured in another State. The figures I have quoted in relation to the dairy industry are authentic figures taken from the report of our own South Australian Dairy Board report for the year ended June 30, 1955, and they belie the fact that, as one member said last week, those engaged in dairying have the lowest standard of living in the State.

The Hon. L. H. Densley—That referred to the hours worked.

The Hon. S. C. BEVAN—I point out that there is an award for the dairy industry which provides, for two-thirds of the year, a 56-hour week, so I readily agree with the honourable member that dairymen work the longest hours, because there are few industries in the Commonwealth which do not work a 40-hour week. It merely substantiates my point that it would not be detrimental to the dairy industry to increase the quota of margarine. Of course, if, as the Chief Secretary said yesterday, the manufacturers of table margarine got out of hand many things could happen. However, the figures contained in the magazines I have quoted show that, although after the restriction on the manufacture of margarine in Canada had been lifted the consumption of butter decreased to some extent, the dairy industry there has not been ruined. I think every member would admit that if there were unrestricted manufacture of margarine it would have a bad effect on the dairy industry, but what we should consider is the relationship between the dairy industry and the margarine industry and the action taken by New South Wales, which makes no secret of the fact that it increased the quota to 9,000 tons for the purpose of exporting to other States. If it is possible we should not allow the importation into this State of table margarine when we can meet our own demands without harming the dairy industry. I support the second reading.

Sir WALLACE SANDFORD (Central No. 2)—I am opposed to the Bill for the reasons that I set before members three years ago, when Mr. Condon introduced the Bill that has been mentioned a number of times. Discussion this afternoon seems to have revolved around the value of the dairy industry compared to the value to the State of the margarine industry.

If my memory is not at fault I think one member interjected, when the Leader of the Opposition was speaking some weeks ago and painting the picture of the sorrows of the margarine manufacturer, asking how many workmen were employed in the business in South Australia, and I believe that Mr. Condon naively admitted that he did not know. If that figure is difficult to get I compliment those who have set out the figures we have heard in one form or another during the last couple of days. The point, however, is that we would be damaging a very valuable industry; how valuable I hope I shall be able satisfactorily to show. Possibly many people do not know that Australia is the third biggest supplier of butter to the United Kingdom. That seems to be a lot when we think of the various countries that ship their products to London. Nearly all people interested in the export business are aware that if a purchaser cannot be found for some type of goods they are put on a ship and sent to London; it is always London that seems to buy when other people will not; London is by far Australia's best customer.

The figures quoted by Mr. Bevan seem to be quite consistent allowing for such things as variations in season which, of course, have a more marked effect on primary production in South Australia than on any other commodity. The number of dairy cattle in Australia to June 30 this year was 4,895,000. Valuing them at £10 a head it represents nearly £50,000,000. It would take a lot of margarine factories to make £1,000,000, without considering whether a market could be found for the commodity. The number of dairy cattle in South Australia for the same period was 268,000. The condition of the dairy industry is so definitely recognized as being of great value that in the matter of deciding what the quota of margarine should be we should remember the quantity of dairy produce that the dairy industry makes available, firstly for the local market and, secondly, for the overseas market. Here again we come up against a set of figures that has to be handled very carefully because the population of Australia is growing at a very great rate, and within the next few years the population figures and rate of progress will make very interesting reading. I have no doubt that the statisticians will be able to submit figures which will be very profitable as a basis of calculation. The Rural Reconstruction Commission, which was appointed about 10 years ago during the regime of Mr. Dedman as Minister for Post War Reconstruction, produced a very interesting report in which particular reference was made to the competition between margarine and butter in European countries during the previous 20 to 30 years. It included the following:—

Before the war (World War II) British margarine was derived from whale oil (45 per cent) and from oils obtained from various vegetable seeds and nuts, most of which were tropical in origin.

The report stated that the Commission has no knowledge as to the number of whales available, or the cost of obtaining whale oil, but costs were increasing because whales were becoming less abundant. The report added:—

The vegetable oils are in a different category; they are mainly produced in tropical countries by native labour and many of them reach Britain from Crown Colonies. The competition between butter and margarine is therefore to a considerable extent a struggle between dairy farmers on one standard of living and colored native labourers on a very different standard. In recent years, the social development of the latter has been the cause of grave misgivings, while the agriculture of their countries has, in some cases, been the subject of inquiry . . . If the United Nations are to make a serious attempt to raise the status of the colored peoples, any direct method of providing the necessary funds must result in an increase in the cost of such commodities in the post-war period.

The same report states that the competition of margarine with butter in European countries has been one of increasing severity in the last 30 years. This has occurred in all parts of the world, where there is not the same rigid wage control as for our own workers. The competition is severe and consequently it is not hard to realize how difficult it must be for butter factories to maintain their output in competition with margarine. Australia is the third biggest supplier of butter on the English market. Surely, we can hardly say that much harm would not be done if we opened the door wide and allowed the manufacture of a commodity from the product of cheap labour countries.

The Hon. E. Anthoney—This Bill does not attempt to open the door wide to the margarine trade.

The Hon. Sir WALLACE SANDFORD—Every pound of butter displaced by competition from a cheaper commodity is making it harder for the Australian dairyman, and therefore we should hesitate, and then hesitate again, before we do anything which not only tampers with the butter industry, but makes the position attractive to the manufacturer of margarine. We

should be out to help our dairy industry and not put any obstacle in the way of its progress. All the hard work in the interests of the dairy industry may easily go for nothing if assistance is given to its competitor. I hope members will decide to disallow the second reading.

The Hon. Sir FRANK PERRY (Central No. 2)—This question has occupied the attention not only of the Legislative Council, but of the House of Assembly, for a number of years. It was discussed about 15 years ago when I was a member of the other House. It would appear that margarine is gaining popularity with consumers. It may be used instead of butter, but I would not say that it is a competitor with butter. It is quite a different type of food, not only in its manufacture, but in its composition. Margarine is made from vegetable fats which, in my opinion and that of many others, including the medical profession, is preferable for human consumption in some cases as a food to animal fats. That being so, it would appear that the matter should be considered logically. The Bill will increase the production of margarine from 468 tons to 624 tons a year, as against a total yearly production of butter of about 8,000 tons, which is about 5 or 6 per cent.

Margarine is accepted as a food not only in the western world, Canada and America, but also presumably behind the Iron Curtain. I would not say that anyone would prefer it to butter, but we must realize that many people must buy according to their incomes. Here we have a product from perfectly natural sources which can be bought at half the price of butter, and it seems to me that Parliament would not be fair to the consumer who cannot afford to buy butter to deprive him of the fats contained in margarine because it may or may not jeopardize dairy farmers. It would appear that the Leader of the Opposition is not asking too much when he seeks our support to the Bill. If the trend in the other States is as stated, the quantity asked for is not too much. We are not dependent on dairy farmers in this State, who hardly provide sufficient for our own requirements, and I believe that in a few years all this State's production of butter will be absorbed here. I therefore feel that this legislation will do no harm to that industry; in fact, I do not believe there is any relationship between the two. Surely it could be said with equal justification that, because we grow timber in this State, we should not import steel.

When in Melbourne last week I noticed a quarter-page advertisement in the *Herald* advertising table margarine for sale, so there is no shortage of that product there or in New South Wales, yet over a period of several months we have not had sufficient margarine in this State to meet requirements. It seems to me that there is something wrong in our ideas that this is so. In an issue of the *Australian Grocer* of October 20, 1955, it is stated that in another State table margarine of all brands is sold in the metropolitan area at 2s. 8½d. in 1 lb. packets, and pastry and cooking margarine in 1 lb. packets for 1s. 9½d. I understand that in this State table margarine costs 2s. 7½d. and cooking margarine 2s. 3½d. It seems to me that the prices vary far more than they should. I do not know whether it is because there is no competition in this State due to the fact that the price is controlled, but it is hardly a healthy position that margarine from another State can enter this State and be sold here at a lower price. At present there is a regulation preventing, by definite aim, the importation of margarine from other States, and I understand that this type of food has developed greatly in the eastern States, particularly Queensland and New South Wales, because of improved methods of manufacture and probably improved types of vegetable oils. Those two States are greater producers of butter than South Australia.

The Hon. A. J. Melrose—What power is there to prevent importation from other States?

The Hon. Sir FRANK PERRY—There is a regulation that provides that it can only be imported into this State if the ingredients are submitted to the department for approval before the margarine is manufactured.

The Hon. A. J. Melrose—That is under the Food and Drugs Act.

The Hon. Sir FRANK PERRY—If ever a regulation was drafted for prohibitive reasons, that regulation was. I cannot understand why it was passed by the Subordinate Legislation Committee.

The Hon. Sir Lyell McEwin—On what grounds does the honourable member place that construction on it?

The Hon. Sir FRANK PERRY—It is an attempt by regulation to prohibit.

The Hon. Sir Lyell McEwin—That regulation does not prohibit it. It is prevented by legislation supported in the High Court.

The Hon. Sir FRANK PERRY—This food is a recognized food throughout the world, and

its contents and method of manufacture are known. For a regulation to be drafted so that the approval of the Department of Health has to be obtained seems to be quite unnecessary, and nothing the Minister can say will lead me to think that it was drafted except for the purposes of prohibiting.

The Hon. Sir Lyell McEwin—I do not see how anyone can put that interpretation on it.

The Hon. SIR FRANK PERRY—I do, and if the Chief Secretary makes inquiries he will find that that is so.

The Hon. Sir Lyell McEwin—I do not need to make any inquiries; I know the reason for the regulation. That applies to all pure foods so that people do not eat unhealthy things and harmful ingredients.

The Hon. Sir FRANK PERRY—I cannot see how any food that is a recognized food throughout the world should need its ingredients to be approved by health authorities. Perhaps when the report that the Minister has cited is made public, there will be a wider use of margarine for the purposes for which it is required. In many cases it is necessary for certain sections of the community, so I intend to support the Bill.

The Hon. F. J. CONDON (Central No. 1)—I thank honourable members for giving their consideration to this Bill. All I ask is that the matter will be dealt with on its merits. The Chief Secretary, who represents another Minister in this matter, gave certain information yesterday that I could not obtain. I am not going to accept his statements, because they are not correct, and he did not reply to any of the reasons I submitted when explaining the Bill. He spoke about the economic position and the fiscal policy, but that has nothing to do with the Bill. There is a demand for this article; in a Gallup Poll it was shown that 60 per cent of the consumers of all States have stated that they require margarine. Nothing was said by the Minister about the increased population.

I have submitted various reasons why this Bill should be favourably considered. Despite what the Minister of Agriculture said in the House of Assembly, I have proved from extracts from the New South Wales *Hansard* what New South Wales and other States are doing. I have communicated with the Ministers in other States and I have received replies, from which I can assure members that other States are contemplating increasing quotas because this was recommended by the standing committee.

The Hon. Sir Lyell McEwin—What part of my information was untrue?

The Hon. F. J. CONDON—I said that the Minister of Agriculture stated that no recommendations had been made by the standing committee, but I have information that other Cabinets have discussed this matter. The increase to 11,000 tons was recommended by the standing committee in New South Wales. The Chief Secretary said that cooking margarine can be obtained at 4d. a pound cheaper than table margarine, but why should the workers be asked to consume cooking margarine? I think I owe the Minister an apology because I smiled when he was addressing the House, but I did so because I knew that he had not the correct information on this matter. Three years ago Sir Wallace Sandford said it would be fearful if we carried the Bill then before us. He said that the dairy industry would suffer and that it could not stand it. This afternoon Mr. Bevan gave figures that prove that the number of dairy cattle has increased, and also that production of cheese and butter has increased, yet we were again told that an increase in the margarine quota would interfere with the dairy industry. We all know that Queensland, New South Wales, Victoria and Western Australia have great dairying industries and I should say that South Australia has the smallest, in proportion, of any State in the Commonwealth. Do members think that the Parliaments of those States would increase the quotas of margarine if they thought it would interfere with their dairy industries? Sir Wallace Sandford referred to our market for butter in the United Kingdom, but I am paying 4s. 5½d. for a pound of Australian butter that the English people are able to get for 3s. 6d. Are we not helping the dairy industry by paying that additional sum? The Chief Secretary referred yesterday to the Commonwealth subsidy of £17,000,000—

The Hon. Sir Lyell McEwin—What are the primary producers paying the secondary industries?

The Hon. F. J. CONDON—The Minister got off the target altogether yesterday. I am talking about the whole of the people—the consumers—and not one section only. These people are paying an additional 11d. a pound for their butter and are denied the opportunity to purchase margarine. All I am asking is that the consumers of South Australia receive the same consideration as those in other parts of the Commonwealth. My proposal represents only a quarter of a pound of margarine per head of population annually

and I cannot see how it could possibly affect dairymen. It is a well-known fact that margarine is being imported into the State. The Acting Minister of Agriculture of New South Wales made no secret of it and said it was their intention to export to other States. We cannot stop it. I remember when dairymen had a strike a few years ago. I supported them then because I recognized that they were not getting fair treatment, but those who are now their great champions were not on that occasion. I think the matter has been fairly placed before the Council and fairly debated and I ask members to support the Bill.

The Council divided on the second reading—

Ayes (6).—The Hons. E. Anthoney, S. C. Bevan, F. J. Condon (teller), A. A. Hoare, A. J. Melrose, and Sir Frank Perry.

Noes (9).—The Hons. J. L. S. Bice, E. H. Edmonds, N. L. Jude, Sir Lyell McEwin (teller), W. W. Robinson, C. D. Rowe, Sir Wallace Sandford, C. R. Story, and R. R. Wilson.

Pair.—Aye, The Hon. C. R. Cudmore. No—The Hon. L. H. Densley.

Majority of 3 for the Noes.

Second reading thus negatived.

BRANDS ACT AMENDMENT BILL.

Received from House of Assembly and read a first time.

EVIDENCE ACT AMENDMENT BILL.

Returned from House of Assembly without amendment.

TOWN PLANNING ACT AMENDMENT BILL.

Received from House of Assembly and read a first time.

METROPOLITAN MILK SUPPLY ACT AMENDMENT BILL.

Read a third time and passed.

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

Second reading.

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

That this Bill be now read a second time.

Its purpose is to extend the operation of the Act for another 12 months and to make further relaxations of the controls provided by the Act. The Government is satisfied that the need for the legislation continues to exist and it is accordingly provided by clause 9 that the operation of the Act is to be extended for a further period of 12 months, that is, until December 31, 1956. At the same time, it is the opinion of the Government that the process started some years ago of gradually relaxing the controls provided by the Act should be continued, and the Bill provides accordingly.

Clause 3 provides that if, after the passing of the Bill, a landlord and a tenant enter into an agreement in writing for the lease of any premises to which the Act applies and the lease is for a stated definite period, the provision of the Act relating to the control of rents is not to apply to the rent payable under the lease. It will thus be competent for the parties to make their own arrangements as to the rent payable so long as the agreement is in writing and the lease is for a definite fixed period. If, at the end of the term of the lease, the parties do not agree upon another lease, the rent of the premises will come within the rent control provisions. The Act now provides that the Act, that is, the provisions relating both to rent control and to control of evictions, does not apply to a lease in writing for a term of two or more years. This provision is retained and a lease for this period will be free from all control. Under clause 3 a written lease for a shorter term will be free from rent control but the provisions relating to the control of evictions will continue to apply. Clause 3 will go a great way towards providing that the parties to a tenancy will be free to agree upon the rental to be paid without being subject to control.

Clause 7 deals with the right of an owner to obtain possession of his dwelling. It provides that a lessor may give six months' notice to quit to his lessee on the grounds that the house is needed for occupation by the lessor or the son, daughter, father or mother of the lessor. With the notice to quit there must be served on the lessee a statutory declaration by the lessor setting out the facts including the name of the person for whom the house is required and particulars of the accommodation then occupied by that person. If the tenant does not vacate the premises and subsequent proceedings are taken in the local court, the court, if satisfied by the lessor that he was entitled to give notice as provided by the clause, is to make an order in his favour without taking into account the hardship provisions set out in subsection (6) of section 49. Section 45 of the Act now provides that if a person purchases a house he cannot give notice to quit on the grounds that he needs the house for himself until after the lapse of six months.

Clause 6 provides that section 45 is not to apply to a notice to quit given under the

clause. The effect is, therefore, that a purchaser of a house could give six months' notice to quit under clause 6 immediately after the purchase. The clause will thus appreciably assist an owner of a house to obtain possession of it when it is needed for the occupation of the owner or a member of his family. At the same time, the requirement of a statutory declaration will, it is considered, prevent the clause from being used for purposes other than those intended. Section 21 of the Act now provides that where the rent of any premises is fixed by the Housing Trust or a local court, on appeal from the trust, the starting point is to be the rent which the premises would, having regard to the general rental levels prevailing at September, 1939, have brought at that time. To this must be added 27½ per cent of the 1939 rent and, in addition, allowance must be made for any increases in rates and taxes, maintenance costs and other outgoings.

Clause 4 provides that this addition to the 1939 rent level should be 33⅓ per cent instead of the 27½ per cent now provided. It will be recalled that the amending Act of 1951 provided for an increase of 22½ per cent over 1939 levels and that, in 1954, this was increased to 27½ per cent. It is considered that, in view of the present economic circumstances, a further increase is now justified and the clause provides accordingly.

Clause 5 makes amendments to the Act of a technical nature. Subsection (6) of section 42 sets out the various grounds upon which a lessor may give notice to quit and subsection (7) provides that, for the purposes of subsection (6), where there is more than one lessor of premises, the term lessor includes any one or more of the lessors. Subsection (3) sets out the right of a lessor to give notice to quit and it has been suggested that, as subsection (7) does not apply to subsection (3), all the lessors, in the case of there being joint ownership, must give the notice to quit although section 111 provides that, in the case of joint lessees, service on one is sufficient. It is accordingly provided by clause 5 that the definition set out in subsection (7) is to apply to subsection (3) as well as to subsection (7).

Subsection (9) of section 42 provides that, where the lessor is an alien, he cannot give notice to quit on the ground that he needs the premises for his own occupation unless he has continuously resided in the Commonwealth for three years. It has been pointed out that, in the case of joint ownership such as, say, a married couple, one lessor may comply with this requirement, but not the other. Clause 5 provides that any one of the lessors who complies with this residential qualification may give notice to quit.

A further amendment made by clause 5 repeals paragraph (*k*) of subsection (6) of section 42. This paragraph sets out as a ground for giving notice to quit that the premises have been let to a lessee in consequence of his employment and that he has left that employment. The 1954 amending Act provides that the provisions as to recovery of premises are not to apply to premises let to employees in consequence of their employment. Paragraph (*k*) is consequently redundant and is therefore repealed by clause 5.

Section 64 of the Act provides that if the lessee of premises to which the Act applies dies and some person, not being a lodger or boarder, who resided with the lessee immediately prior to his death, continues in possession of the premises after the death, he is to have the same right to remain in possession as the lessee would have had if he had not died. The obvious case to which the section is directed is the case where a tenant of a house dies leaving his widow still living in the house and the section is intended to enable the widow to step into the shoes of her deceased husband. However, the section is not limited in its application except that lodgers and boarders cannot seek protection of the section. Consequently, a person, other than a lodger or boarder, who satisfies the requirements of the section can claim the benefit of the section even if he is not a member of the family of the deceased lessee. The extent to which the section can have operation has been pointed out by Mr. Justice Mayo in his decision in the case of Noblett *v.* Manley.

Clause 7 amends section 64 to provide that the only persons who can take the benefit of the section are the wife, husband, mother, father, daughter or son of the deceased lessee.

Clause 8 is the result of a number of complaints made to the Housing Trust. It has occurred that an owner of a house has sold it to a purchaser. The tenant has been informed of the sale, but not of the name of the purchaser. On tender of the rent to the previous owner it has been refused and the tenant has been put in the position of being in arrears with his rent. It is unlikely that in subsequent court proceedings for recovery of the premises, the court would endeavour to prevent a purchaser from taking advantage of such a practice but it is considered that the matter should

be put beyond doubt. Clause 8 therefore provides that if, on a transfer of the lessor's rights, the lessee is not given notice of the name and address of the purchaser and if the lessee pays or tenders the rent to the previous lessor or to the person to whom the rent was previously customarily paid, that is to be deemed a valid payment or tender of the rent.

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

SUCCESSION DUTIES ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

It deals with succession duty in cases where a person who has succeeded to dutiable property on the death of another, dies within five years after his predecessor in title. As members know, it was found necessary in 1952 to raise the rates of succession duty and it has been represented to the Government that in cases of quick successions, as they are often called, the payment of two amounts of duty within a short time may now cause considerable hardship. The Government has been asked to grant some relief in these cases. The same problem has arisen in England and New Zealand and has been dealt with by legislation in those countries. The principle which has been adopted elsewhere is to grant a rebate of duty in any case where a person succeeding to property dies within five years, so that the property again passes to others. The amount of the rebate varies according to the interval between the deaths. In England the concession is limited to cases where the property passing twice is land or a business. The New Zealand Act applies to all kinds of property, but the rebate is only granted where the property passing on the second death is the same as, or represents, the property passing on the first death. It is, however, often difficult to determine whether any property represents other property and this idea has been avoided in drafting the present Bill.

It provides that when property has passed to a successor on the death of his predecessor and the successor dies within five years thereafter, a rebate will be granted in respect of the duty on property passing on the second death. The proposed rebate is a percentage of the duty paid on the first death. If the second death occurs in the first year after the first death, it is 50 per cent. For a death in the second year it is 40 per cent, in the third year 30 per cent, in the fourth year 20 per cent, and in the fifth year 10 per cent. Where the second death occurs more than five years after the first there will be no rebate.

There are two other factors which may affect the amount of a rebate. The first is that the estate passing on the death of the successor may be less than the amount to which he succeeded on the death of his predecessor. In this case it would not be just to base the amount of the rebate on the duty paid on all the property derived from the predecessor because only a part of this property is subject to double duty. In such cases, therefore, the rebate will only be a part of the normal rebate proportionate to the amount of the property passing on the second death.

The other factor which will affect the amount of a rebate, is that the property taken on the first succession may have been a terminable interest, that is, an interest which came to an end on or before the death of the successor. Obviously, interests of this kind can never be subject to a double duty and there is, therefore, no reason why the duty paid on them on the first death should be taken into account in working out the amount of the rebate to be allowed on the second death. The amount of the rebate allowable on the second death will be apportioned between the several amounts of property passing on that death in proportion to the amounts of duty payable on the respective amounts of property.

The scheme in the Bill is a simple one which contains no difficulties of administration, and is not likely to lead to litigation in order to determine whether a rebate is allowable. It is estimated by the Commissioner of Succession Duties that under present conditions the rebates provided for in the Bill are likely to cost about £8,000 a year.

Clause 4 amends the provision in the principal Act which enables an insurance company in certain cases to pay money due under a policy of life assurance before the succession duty has been paid. The general rule laid down in section 63a of the principal Act is that an insurance company is not entitled to pay over the life assurance monies except on a certificate from the Commissioner of Succession Duties that all succession duty payable on the money has been paid or that security has been given for such payment. The section, however, contains an exception enabling payment to be made without production of the certificate in any case where the gross value of the estate does not exceed £500 and the amount of the insurance policy does not exceed £200. This

exception was inserted in the Act at a time when the value of money and the exempt amount of property were different from what they are now; and it is proposed in this Bill that insurance companies should be permitted to pay money due on a life policy up to £500 without production of a succession duties certificate in any case where the value of the estate does not exceed £1,500.

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

LAND AGENTS BILL.

In Committee.

(Continued from November 8. Page 1430.)

Clauses 5 and 6 passed.

Clause 7—"Land Agents Board."

The Hon. F. J. CONDON (Leader of the Opposition)—I am not satisfied with the Minister's explanation of this clause. It is proposed to take away from the courts the power to license land agents and transfer it to the Land Agents Board, which would probably be prejudiced in the matter.

The Hon. C. R. CUDMORE—The Land Agents Board has existed since 1950, and this clause merely continues it. Clause 7 has nothing to do with who grants licences, which is dealt with under clause 24. Although the honourable member is entitled to voice his opinion on whether applications in future should be to the court or board, that has nothing to do with this clause.

Clause passed.

Clauses 8 to 23 passed.

Clause 24—"Application for licence."

The Hon. C. D. ROWE (Attorney-General)—I agree with Mr. Cudmore that the point raised by Mr. Condon could more properly be dealt with under this clause, because it relates to the licensing of agents and not to the constitution of the board that has existed since 1950. This matter was very seriously considered before it was decided to change the licensing authority, and as the majority of the board are nominated by the Attorney-General, and by the Bill one member must be a solicitor of seven years' standing in practice, it is felt that there is no possibility of a sectional interest gaining control of the board. Instead of having this matter decided by one magistrate who has no greater qualifications than one member of the board, the Bill provides that it shall be decided by three people, two of whom are to be nominated by the Attorney-General and one by the Real Estate Institute. There seems to me to be more possibility of one magistrate making a mistake than three members of a board. This is more of an administrative than a judicial function, and having one central board instead of magistrates from one end of the State to the other dealing with applications will better serve the objects of the Bill.

The Hon. F. J. CONDON (Leader of the Opposition)—I move—

> In subclause (1) to delete "board" and to insert "court."

If the courts have been satisfactory, what have they done to have this power taken away from them? They decided these matters for a number of years, and I think it is a slight to take this power from them.

The Committee divided on the amendment.

Ayes (3).—The Hons. S. C. Bevan, F. J. Condon (teller), and A. A. Hoare.

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

Pairs.—Aye—The Hon. K. E. J. Bardolph. No—The Hon. L. H. Densley.

Majority of 10 for the Noes.

Amendment thus negatived; clause passed.

Clauses 25 to 36 passed.

The Hon. C. R. CUDMORE—The Attorney-General has a large number of amendments on the files which members have only had the opportunity to see this afternoon, and if he would report progress we would have a better opportunity to consider them.

The Hon. C. D. ROWE—I am happy to accede to the request. A large number of amendments were placed on the files today, the majority of which are not important, but there were one or two that I think members should have the opportunity to peruse before we deal with them.

Progress reported; Committee to sit again.

PHYSIOTHERAPISTS ACT AMENDMENT BILL.

In Committee.

(Continued from November 8. Page 1414.)

Clause 4—"Deregistration and other orders," which the Hon. C. R. Cudmore had moved to amend by deleting "twenty" and inserting "one hundred."

The Hon. C. R. CUDMORE—It was said yesterday that this fine was only in addition to censure, suspension or deregistration. but actually it in in addition or in lieu of. The board will have power to censure, suspend,

deregister or fine. It is ludicrous that we should by Act of Parliament put people in the position of being able to hold themselves out as members of a profession and then talk about fining them £20 for unprofessional conduct. We heard something today, in the Succession Duties Bill, about present money values and it seems to me that the maximum penalty should be not less than £100.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I think the Committee is sufficiently well informed of the facts which brought about this amending Bill. The Supreme Court dismissed an appeal case as one not severe enough to warrant suspension, and there was then no power available to the board to deal with this case which has been regarded by members as something rather serious. Of course, the previous part of the clause provides for the more serious offences, and a fine will apply only to the less serious. Therefore, it does not seem necessary to fix a penalty of the dimensions suggested by the honourable member. The object of the Bill is to enable the board to inflict appropriate penalties in minor cases of unprofessional conduct.

The Government takes the view that special care should be exercised in conferring punitive powers on boards other than courts. Although, as has been mentioned, there are precedents for enabling boards such as this to impose fines, it has not been the general practice of Parliament to empower them to do so. The Bill empowers the Physiotherapists Board to impose fines only because the board has found its powers of deregistration and suspension inadequate to deal with the less serious cases of unprofessional conduct. The sum of £20 is an adequate maximum fine for the purpose. It will thus be seen that the Government has taken care to ensure that the board is not given greater powers than are necessary to overcome its difficulties and with due regard to the liberties of the subject. However, if the Committee desires that the maximum fine should be increased, the Government would not oppose a reasonable increase above £20. I think the honourable member, upon reflection, will agree that £100 is far too great because the board has other powers. If it suspended a person for one day would he suggest that the next step should be a fine of £100? This seems rather contrary to the principle usually adopted in this Chamber regarding penalties, especially when the power is not in the hands of a judicial body. If the Committee decides on anything in excess of £20 I suggest that £100 is much too great.

The Hon. C. R. CUDMORE—The Chief Secretary has convinced me that we should not prescribe fines at all. He said it is unusual for bodies other than courts to be given the power to impose fines and I am impressed with that. I am not in favour of prescribing fines in this measure. My point was that if we are to have a fine it should be one that means something. To a professional man £20 does not mean a thing; it is just futile. Therefore, I ask leave to withdraw my amendment.

The Hon. Sir Lyell McEwin—A pretty good sort of somersault by the sound of it.

The Hon. C. R. CUDMORE—No. I am convinced by the Minister that only the courts should be allowed to inflict fines.

Leave granted; amendment withdrawn.

The Hon. C. R. CUDMORE—I move—

To delete all the words in new Section 32(2) commencing "Where the person has been guilty of unprofessional conduct" as these seem to contain the relevant matters which give the board power to fine.

The Hon. Sir LYELL McEWIN—This is one of the greatest somersaults that I remember in the history of my 20 years in this Chamber.

The Hon. C. R. Cudmore—You were so persuasive.

The Hon. Sir LYELL McEWIN—I pointed out the unreasonableness of the amendment, and then the honourable member completely reversed his whole process of reasoning. Whether it is because of total ignorance of what is in the Bill I do not know, but he now suggests that this board should have no authority whatsoever to impose a reasonable fine. That is simply going from the sublime to the ridiculous. This is not the only board with such powers. It is not new legislation.

The Hon. C. R. Cudmore—Who is switching around now?

The Hon. Sir LYELL McEWIN—I ask the honourable member to be reasonable. I think he is taking it to undesirable extremes and I ask the Committee to support the Bill as it stands.

The Hon. E. ANTHONEY—No doubt my colleague was impressed, as I was, with the Chief Secretary's explanation that fines were altogether out of place in a Bill of this sort and therefore I should have thought that he would advise the Committee to vote against this provision. I think the board has sufficient power because it can deregister a man, which is tantamount to taking away his living. If a man who is allowed to practise physiotherapy,

which is an ancillary to medicine, and treat a patient with such a serious disease as cancer, he should be struck off the roll. If the board did that I do not see why it should also inflict a fine.

The Hon. Sir LYELL McEWIN—I think perhaps the Bill ought to be laid aside for a couple of days to enable members to inform themselves about it. Yesterday the honourable member was holding up his hands in horror at the thought that a physiotherapist was allowed to do certain things and get away with them. Now he is advising us not to do anything.

The Hon. E. Anthoney—I said deregister him.

The Hon. Sir LYELL McEWIN—The facts are that the physiotherapist in question was suspended. He appealed to the court and the court suggested no suspension whatever and recommended that he should be dealt with in some other way. However, the board did not have power to fine him. That is why I said that if £20 is not considered to be enough I had no objection to going a little higher, but not as far as £100.

The Hon. Sir FRANK PERRY—I think Mr. Cudmore has let his supporters down. I think the amount should be increased, therefore, I intimate that if the amendment is lost I will move that £50 be substituted for £20.

The Hon. C. R. CUDMORE—The Minister suggested that members do not know what this Bill is about. When explaining the Bill the Minister explained what had happened in the Full Court and said:—

In these circumstances the board has asked the Government to enable the board to fine and censure persons charged before it. The Government has acceded to this request, It believes that a fine would be an appropriate penalty for the board's purposes. It is felt that less stigma would attach to the imposition of a fine than even the shortest suspension, and the amount of a fine would almost always be less than the amount of loss involved in a short suspension.

I think we all understand the position. It is unusual for people other than the courts to have the power to inflict fines. I am so much in favour of courts that I withdrew my suggestion, but I still say that if there is to be a fine it should be one which will matter and not be a stupid amount like £20. I ask leave to temporarily withdraw my amendment to enable the Hon. Sir Frank Perry to move his.

Leave granted.

The Hon. Sir FRANK PERRY—I move—

To strike out 'twenty'' and insert ''fifty.''

The Hon. F. J. CONDON—As members know, I have always opposed increased penalties, but on this occasion I am prepared to support the amendment.

Amendment carried; clause as amended passed.

Remaining clause (5) and title passed.

Bill reported with an amendment and Committee's report adopted.

INDUSTRIAL CODE AMENDMENT BILL (GENERAL).

Received from House of Assembly and read a first time.

APPROPRIATION BILL (No. 2).

Adjourned debate on second reading.

(Continued from November 8. Page 1425.)

The Hon. Sir WALLACE SANDFORD (Central No. 2)—As honourable members are aware, the Government is budgeting for a deficit of £748,000. Payments are estimated to be £60,513,000 and receipts from all revenue sources £59,765,000. As the Chief Secretary mentioned, it has been arranged with the Commonwealth Grants Commission that any surplus in the State's accounts will be available in aid of consolidated revenue in subsequent years. There was an accumulated surplus of £2,154,000 during 1950-54 and this was in consequence used to finance the deficit of £2,234,000 in 1954-55. It was, however, not quite adequate and the remainder of £80,000 was carried forward in the Revenue Account. When we look back on the sums that have been required by the Treasury during recent years to meet the expenses of the State, we realize to some extent the duties and obligations bound up in the costs and charges of the management of the State. Particularly have increased expenses and responsibilities confronted us, and these in very recent times, and it was arising out of an interjection a few days ago when my esteemed colleague, Mr. Anthoney, reminded those who required the knowledge that with a 40-hour week costs of production were rising and consequently the cost of living would be affected.

The Chief Secretary reminded us that one of the most striking features of post-war Commonwealth-State financial relations was the extent to which the States have become dependent upon Commonwealth grants. He said that in every year since the inception of uniform taxation, taxation reimbursements had proved to be inadequate to meet the

State Government's requirements, and therefore a supplementary grant had been made by the Commonwealth. I have noticed an inclination from time to time for some members of the community, and I am afraid it also applies to some honourable members here—to regard profits in business as something which should be apologized for, whereas I imagine the remainder think they should be the subject for approval and congratulation. The experience of present profits cannot be certain to continue. The history of South Australia has been an example of the awards of thrift and carefulness on financial matters and, indeed, the Savings Bank system here compares satisfactorily with all others not only within our own borders, but in other parts of the world.

To say the most of it, the 40-hour week, which seems to intrude into all our discussions, is still in its experimental stage, and still has to stand the test of time. In the meantime let all those who have been able to benefit thereby continue to enjoy the opportunities that have arisen. However, we must not overlook the fact that it now takes more people to produce the same output as before, and therefore the final result costs more. The financial position of Australia must never be lost sight of. At this very moment, although we have been enjoying a larger run of good and prosperous seasons than ever before, restrictions have been imposed on imports because our funds in London have fallen and are continuing to fall. This has come about because of our exports having fallen in total value, and reducing the working week has not helped, but on the contrary has aggravated the position.

When speaking to the Budget, the Treasurer drew attention to the fact that the Commonwealth is able to dominate the State policy in almost every sphere. In this he repeated a criticism that had been voiced, when Federation was being discussed and formed, to the effect that power goes along with the control of the purse. The Chief Secretary, before setting out the details of the Bill, gave members particulars relating to the proposals for which the moneys are intended. The total receipts in consolidated revenue for the year upon which we have embarked are estimated to reach £59,765,000, which is nearly £8,000,000 greater than the actual receipts for last year. The grant to be made to South Australia in pursuance of the recommendation of the Commonwealth Grants Commission will this year be £5,400,000, which is £3,150,000 greater than last year, for we then received only £2,250,000. This is a very substantial increase over last year, but less than the amount sought by the Treasurer in view of the very heavy charges levied upon our funds.

State taxation is expected to yield £460,000 more than last year. When introducing the Budget, the Treasurer said that this year would be a difficult one for State finances, but he expected it would be a passing phase. He reminded the community that it must adjust itself to the necessity for avoiding overspending, and that that applied both internally and externally. He particularly warned the public that overseas prices are not likely to be experienced and the previous peak levels are not likely to be reached in the near future. At the same time, however, with yet another very good season ahead and all the reservoirs filled as well as the Mannum pipeline completed, full employment, industries profitable and commerce flourishing, there is no real threat to our standard of living. Such problems as confront us are, he contended, those associated with a high degree of prosperity and a rapidly developing country.

Before commenting on the Bill itself, the Chief Secretary gave some information as usual regarding the proposals of the Government in regard to the moneys appropriated by this Bill, and it will be seen that the amounts required are mostly substantial increases. The Police Department, one of the first dealt with, requires £1,568,704, and the Hospitals Department £3,250,000. This last is on account of staff and purchase of materials and equipment, and the result will be a large hospital that will be able to serve the general, surgical and maternity needs of the western districts. The provision for public health represents a substantial increase, and will take care of X-ray and health services under the section "Chief Secretary (Miscellaneous)." This will permit the payment of subsidies and grants. It will be over £370,000 more than the amount disbursed last year, and will also provide for houses for aged persons. People live longer than used to be the case, and the Government is meeting the claims of our citizens who have helped to build our State in times gone by.

The amount of £2,026,000 provided for the Engineering and Water Supply Department is nearly £50,000 less than last year's payments. This great saving was made as it is considered that it is not likely that necessity will call for water to be pumped from the Mannum-Adelaide pipeline. We should not lose the opportunity to congratulate the department on the way in which the link-up was provided and

for the truly marvellous accuracy of estimation and calculation. It has lifted from our shoulders a fear that we all had continuously year by year and summer by summer, and it has removed the apprehensions of the past. Industries as well as domestic users of water are supplied from this mighty river that runs through Queensland, New South Wales, Victoria and South Australia before it reaches the sea.

Nearly £6,000,000 is provided for the Education Department, almost £700,000 in excess of actual payments last year. During his second reading speech, the Chief Secretary referred to the increase in the Government's commitments for education over the post-war years as astounding. When we reflect upon the fact that during the last eight years the population of South Australia has increased by approximately 27 per cent, and the number of children of school-going age by about 64 per cent, which compares with 43 per cent as a whole, we can appreciate that the burden on the department is by no means light.

In my remarks I have by no means referred to all the matters that have been submitted, but most of these will receive the attention of other members. I am sure we were all very pleased to note the prompt action that the Government took on the grasshopper plague that is causing such a high degree of apprehension and nervousness. We are not by any means out of the wood, but the matter is now in the very capable hands of the department, and it is fervently hoped that the steps taken will gain the desired results. I was very glad that the Treasurer, when speaking to the Bill in Committee, specially referred to the officers of the Treasury and to the great assistance and skilful advice they give on the intricate financial problems that arise from day to day. I support the second reading.

The Hon. C. R. STORY (Midland)—I wish to deal with one or two matters, especially the provisions for lands and irrigation. I was recently one of a party of six Parliamentarians who visited the Loxton irrigation area where World War II settlers are located. We went there to listen to some complaints made by the settlers about certain inefficiencies that they allege on the part of the department. The party consisted of the Hon. Mr. Condon, Messrs. Stott, Macgillivray, Brookman, Hutchens and myself. We went there purely as observers to gain as much information as we could, to enable us to bring before Parliament anything that we thought necessary. The settlers conducted the party to the various points of interest and pointed out those things which, in their opinion, required attention. I compliment them on the way in which they handled their case. They submitted evidence to us that occupied about 90 pages. They were meticulous in gathering and presenting this information, and I was impressed by the businesslike way in which they went about meeting the deputation and presenting their case orally.

It is inevitable, in a scheme of the magnitude of the undertaking by the Lands Department at Loxton, that there must of necessity be some things that do not perhaps measure up fully to requirements, and I think we must concede that there will be mistakes in any schemes in which the human element enters. I am not so concerned about the mistakes that have been made, but at the fact that if they are not corrected quickly they could lead to rather disastrous results. The problems mentioned by the settlers were those of seepage and drainage, the construction job called "G Channel" that was not giving complete satisfaction, the financing of settlers, permanent irrigation sprays, drying racks for the processing and drying of fruit, hand watering that takes place in the first two years of the establishment of trees—in reference to the actual payment to the settlers for hand watering and the allowances they receive for working expenses—Nissen huts that are placed on the blocks temporarily and afterwards used as pickers' quarters, sheds or for some other useful purpose, and some peach trees supplied by nurseries that were not true to type. These are the problems they asked us to investigate. We were taken to several properties, and the most important matter discussed was drainage. The other problems, serious as they are, can be corrected in time, but if seepage is not corrected it can become a problem that will take many years to get under control, as it will take a long time to bring the soil back into production. On the other side of the river, where we have had a lot of experience with seepage and drainage, we found that the sooner the drains could be installed and the salt water taken away from the ground the better chance we had to keep it in isolated areas.

The second point is that if we allow our ground to become fully impregnated with salt, it takes a long time to bring it back and make it productive again. I make the point that in my opinion drainage is the most pressing need.

The Hon. Sir Frank Perry—How long has this area been settled?

The Hon. C. R. STORY—The first plantings were in 1948 and portions have been planted each year since then. When Mr. Cudmore was chairman of the Parliamentary Land Settlement Committee that committee took much evidence as to the advisability of opening up this area and questioned several witnesses regarding the possibility of the seepage problem occurring at Loxton. It was then thought by most people that it would not become apparent. The soil types as analyzed by the Soils Division of the C.S.I.R.O. indicated that it was a type of land that would drain easily. However, this has not proved to be the case and in 1946 the Mines Department put down seven bores to ascertain the under-strata of the soil. These bores were put down to varying depths until they reached the coral strata. In the Waikerie district a very effective method of drainage has been evolved simply by sinking 4in. shafts until they reached the coral strata, and continuing through this strata until meeting water; this allows any surplus water to drain away. It was thought that any drainage problem that occurred at Loxton could be overcome in that manner.

The Hon. C. R. Cudmore—Was there not some alarm about turning the river at Waikerie salt?

The Hon. C. R. STORY—Yes, but many people in other parts are growing things with water with three times the salt content of that in the river at Waikerie. On a block owned by a man named Pepper tile drains have been installed. Perhaps I should deal first with it in two phases—first the collection of water and then the disposal of water. Water is collected from the land where trees are growing and the method is to take out a drain perhaps 4ft. deep where it starts so as to get sufficient fall to enable the water to drain away easily. An earthenware pipe known locally as a tile drain is laid in the bottom of the trench and the only means of the surplus water getting into these pipes is through gaps between them. I was not at all impressed by the method being adopted in laying the drain pipes in the first place. They were being laid in mud which was oozing up through the gaps. Having put them down the workmen were throwing soil on top of the pipes and because of the soft bottom of the trench this tended to tilt them and not give the drain a proper fall. Secondly, the mud which oozed up through the gaps actually tended to seal off the drain completely, thereby destroying its effectiveness. We saw on Mr. Pepper's block a drain beginning in an orange patch and then continuing down through vines and into the sump where it was collected for disposal there was only a small stream of water, whereas anywhere along the drain one could, with an augur, find water at 3ft. 3in. As the drain was down about 7ft. it should have been draining all that water away. Either the drain is not working properly or the soil strata is such that it will not drain freely, and my point is that the department should either employ the C.S.I.R.O. Soils Division to give a report on the soil type and indicate whether it is possible to drain it by the normal method employed in other places, or some different method of laying the drains should be employed.

The next point is the disposal of water. That can be done in three ways—by the Waikerie bore method I have already outlined, by a sump which goes down to the drift sand and which is effective in some places, or by a comprehensive drainage scheme. The latter is a most expensive method of drainage and if any alternative can be found so much the better.

The Hon. F. J. Condon—Would it not have been better to adopt it in the first place?

The Hon. C. R. STORY—It may not have been necessary and it would be wrong to spend £500,000 of the taxpayers' money if that were the case, but I am pointing out that it is about time someone awoke and found out just the best method. The trouble has been going on since 1952 and it is taking a long while to find out which method is best. A comprehensive drainage scheme to handle the Loxton area would cost at least £500,000 and interest and maintenance costs would be in the vicinity of £30,000.

The Hon. C. R. Cudmore—It would make the whole scheme uneconomic.

The Hon. C. R. STORY—It would tend to do so.

The Hon. F. J. Condon—What about the Puddletown Lake method?

The Hon. C. R. STORY—That is quite a different set-up in a locality which has soil of a different type. The department has taken some action by setting up a committee comprising the Resident Engineer and the District Officer at Barmera and a representative of the settlers. They have recently visited Victoria and examined areas where drainage schemes are operating and we are hoping that some-

thing may come out of their report. My next point is in regard to the financial position of the settlers. This is a very complex situation not only for the department, but for the settlers, because they are being asked to work on a very small amount of money. In the development stage they are on what is known as the sustenance period, during which they are allowed about £8 a week. When they have some small income they go on to what is called the assistance period and finally, when they have sufficient income, they go out on their own. The department went to considerable pains to get the Commonwealth authorities, who after all are the main shareholders in this scheme, to assist the settlers to get on to a suitable basis from the inception, but unfortunately in the last two years they have had two very bad seasons, one due to rain and the other to a severe frost. It was expected that when a lot of these men were put on their own their returns would increase. Instead of that the productivity of their blocks has either remained static or actually slipped back, and therefore these settlers are in rather difficult financial straits. The department is negotiating with the Commonwealth Government in an endeavour to make it a little easier for these settlers and I am very hopeful that some good may come of it.

The Hon. C. R. Cudmore—Is not our contract with the Commonwealth that the amount they will have to pay will be based on productivity?

The Hon. C. R. STORY—That was the original basis.

The Hon. F. J. Condon—Was not this work recommended by the Land Settlement Committee?

The Hon. C. R. STORY—It was, and I say without qualification that that committee has done a marvellous job. Its recommendations have been carried out and we cannot blame the committee because there was water beneath the surface that nobody knew anything about.

The Hon. F. J. Condon—They were advised and I think the officers made a mistake.

The Hon. C. R. STORY—It is not my province to suggest that they made a mistake. We then went on to G channel, which is an open channel feeding a pipeline. This pipeline is over undulating country and its purpose is to build up pressure so that the six settlers involved may be given water under pressure for irrigation purposes. I am not sure whether it is due to a defect in design or whether something has gone astray in the plan, but the channel is not doing the job it was intended to do. The result is that a number of the settlers are not getting sufficient water to keep their blocks properly irrigated. It takes them much longer to irrigate than is necessary, and one of the fundamentals of irrigation is not to have water on the ground any longer than necessary because that builds up seepage. The idea is, in that soil, to get the water over the ground as quickly as possible and not to dribble it down through the furrows so that it has a chance to soak in. These settlers are taking far too long to water their blocks because there is not sufficient pressure in the pipes. That matter has been taken up and it will involve some expenditure to correct the trouble.

My next point is the permanent spray system. When the Land Settlement Committee took evidence in the early stages I should think it was one of the first bodies to investigate what we now call the spray irrigation system. The committee took considerable evidence on the various methods employed in New South Wales and Victoria. At that time spray irrigation was very much in its infancy, and very few people had it before the war. The first method used was the portable spray system. This consisted of 4in. galvanized iron pipes into which sprinkler jets were screwed. The pipes were linked together by a series of catches and the water pumped through them at a pressure of about 30 lb. That was the first system recommended for the Loxton scheme. That was found to be a killer on the men. They had to stay up to shift the sprinklers about every two and a half hours. It involved shifting a whole line along so that the next section of the block could be irrigated, and the men had to plod through watered ground. It was not long before some of the older men, and there were quite a few in their forties at this stage, found that they could not carry the heavy gear through the muddy ground, and in addition they got wet, and as a result many cracked up. Therefore, some other method of watering was sought and the department decided to adopt the permanent type of sprinkler. The early settlers were supplied on portion of their block with permanent sprinklers and on the remainder with portables. A little later the department decided to change its policy and those settlers who came in in 1951 and 1952 were given the permanent type of sprinkler.

The Hon. C. R. Cudmore—At whose expense?

The Hon. C. R. STORY—It was to be charged to development. The men who got all permanent sprinklers were charged £20 an acre extra. Now the request is that those who

were first in the settlement should have their blocks fully equipped with permanent sprinklers.

There seems to have been a mistake at some stage by the department in regard to drying racks. Each man was given a quota of racks sufficient to enable him to handle his plantings. Some were informed they could have more racks than were already on their property, and subsequently secured from the department the necessary material which, in some cases, was erected. Then a letter was sent by the department and the men were offered three alternatives—(1) to return the material; (2) to keep the racks and pay cash for them; or (3) the cost to be charged to their current account. There are two accounts—a development account, subject to a writing down, and the settler's own current account, against which the cost is debited.

The Hon. C. D. Rowe—What would be the average cost of a rack?

The Hon. C. R. STORY—About £300.

The Hon. C. R. Cudmore—Did anyone tell them about the returned soldiers who got on with their job without any Government assistance?

The Hon. C. R. STORY—That has nothing to do with it. There is a Repatriation Act and it has to be administered. I am interested in its administration, and not because some Government let down the rest of the returned soldiers, which I agree with the honourable member it did. The point is that these people were asked to return the material, but unfortunately some settlers failed to do so and they are not very happy about the situation, and neither is the department. I am hoping that this is one of the things that can be ironed out.

I have brought these matters forward in an endeavour to give members some idea of the problems associated with the department, because they are big problems, both to those who have been settled and to those responsible for the administration. The method of allotting blocks employed since the Land Settlement scheme was undertaken is known as the points or merits system. The man who is entitled to be settled under the war service land settlement scheme is called before a classification committee and asked questions to ascertain whether he is suitable. He is then classified either as being quite unsuitable for land settlement, quite suitable but in need of further training, or suitable without any training. As to those in the first category, they play no further part in land settlement. The man recommended for some training goes to an approved trainer in the irrigation area for two years, and at the conclusion appears before the classification committee and receives points according to the results of his training. I do not know, nor does anybody else except those intimately connected with it in the department, how the points system works. We can only assume some of the things.

The Hon. C. R. Cudmore—Are you referring only to horticultural blocks or also to farms?

The Hon. C. R. STORY—Any war service land settlement scheme would be on the same basis. Another portion of country recommended by the State Land Settlement Committee for settlement is now before the Commonwealth for consideration. It is quite a large area and if it is approved a number of allotments will be made. I should like the Minister to look into the position of those who have not yet been allotted blocks, although they have passed the classification committee. I recently had occasion to cite a case which to me would indicate that the system was getting a little out-dated. I have in mind a man who applied in 1946, but was not recommended for any further training, and he is still waiting for a property.

The Hon. C. R. Cudmore—He was in the third category—qualified?

The Hon. C. R. STORY—Yes. As the result of a question raised in the House of Assembly, the Minister of Irrigation said that one of the reasons he had not been allotted a block was that he did not impress the classification committee. It was nothing to do with his character. He got just enough points to stop him from being trained for two years. I shall call him settler "A." Settler "B," another man I have in mind, is younger. There is a property at Cooltong which has become available for re-allotment because the original settler failed to carry out the conditions of the Act and was removed. These two received more or less equal points. "A" is now 44 years old and "B" 36. "A" is married and has four children and "B" is married without any children. "A" was born at Renmark on his father's block. The father moved to Berri in 1913 and acquired one of the first fruit blocks there. "A" remained with his father until after he left school. "B" was born at Reynella. His father had a winery and vineyard until the early 1930's and then an almond block during "B's" teen-age. "A" enlisted in the 2/27 Infantry Battalion in 1940. He was discharged in 1944 with a total service of 49 months, 21 months being overseas and 28 months in Australia. He had active service in the Middle

East and New Guinea, the rank of corporal and was wounded in action in Syria in June, 1941. "B" enlisted in the R.A.A.F. in 1940 and had 61 months' service, all in Australia. As to post-war history, "A" was employed at the British Tube Mills from 1945 to 1947, at Kelvinator Ltd. in 1948, at Actil from 1948 to 1952, and has been the manager of a fruit block since. "B" was with W. Menz and Company from 1945 to 1949 as an accountant and was a trainee at Winkie and Barmera from 1949 to 1951, and has been with Murray Motors Ltd. since. "A" appeared before the classification committee in 1946 and was approved. "B" appeared before the committee in 1949 and was ordered two years' training. He was approved as an applicant in 1951. "A" has been away from fruitgrowing for about 16 years, whereas "B" did not ever work on the land. At that stage they were more or less on an equal footing. After his training "B" came back full of knowledge and received all the books on the subject that the department could give him and went before the classification committee again in 1951 and came out with flying colours. One man was denied the opportunity to train, which must have put him high above "B," because every other thing there gives "A" a distinct advantage over "B"—his marital condition, war service and everything else.

The Hon. C. R. Cudmore—Is the answer that "B" got the place?

The Hon. C. R. STORY—Yes. Since 1946 we have seen a terrific retrogradation in some of these men who have been classified. Many of them came back and kept going; they got their classifications, and immediately left the industry, but if a block was allotted to them they took it. Other men went on blocks and tried to improve their knowledge, but because they did not impress in 1946, they are at a distinct disadvantage even though they may have improved all the way along. The personnel still on the waiting list should have been called up periodically, looked over, reports given, and so on. If "A" had not come down to Adelaide to investigate the position, he might have waited a long time.

The Hon. C. R. Cudmore—What is your constructive suggestion?

The Hon. C. R. STORY—That now all applicants who have not been settled should be brought before the classification committee again to see what type of men they are, how they are going and whether they are still the same men that the committee saw in 1946 when it gave them their points, because it is obvious that some of the people on blocks today are not the same men who were classified with high priority in the early days.

Another point that I wish to deal with is in relation to registration of primary producers' motor vehicles. The primary producer is entitled to concession fees for his commercial vehicles and pays only half the prescribed registration fee. A man might have five or six commercial vehicles in his business, and when he wants to register one of them he is forced to go into the nearest township, make a statutory declaration, buy a shilling duty stamp, go to the police station, and have the reverse side of the declaration made out to state that he is a primary producer and can claim the half rate. Besides that, he has to pick up his insurance certificate from his agent and do various other things that cause him a great deal of trouble, especially if he happens to live well out in the bush and has to travel many miles to see a policeman who perhaps has been called out to another job. He has to do this four or five times a year in many cases, because registrations do not all fall due at the one time. I can see no reason why these men could not go to the police station once a year, make a statutory declaration declaring themselves to be primary producers, and when other registrations fall due, for them to refer to a number they could be given. This would allow a saving in their time and energy, and also a good amount of paper work for the police department. If the men cease to be primary producers, a heavy fine could be imposed for not notifying this fact to the authorities. I ask the Minister to consider this matter.

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

ADJOURNMENT.

At 5.22 p.m. the Council adjourned until Thursday, November 10, at 2 p.m.