

LEGISLATIVE COUNCIL.

Thursday, October 4, 1956.

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

QUESTION.**DEPUTY PRESIDENT OF INDUSTRIAL COURT.**

The Hon. K. E. J. BARDOLPH—Will the Attorney-General consider the calling of applications immediately for the position of Deputy President of the State Industrial Court so that the Government can make an appointment, and when is it likely that that will be done?

The Hon. C. D. ROWE—As I indicated in reply to a question the other day, the Government has already considered this matter and intends to appoint a Deputy President as soon as it can conveniently be done.

MEETING TIME OF COUNCIL.

The PRESIDENT laid on the Table the following report of the Standing Orders Committee relating to the time fixed for meetings of the Council:—

The Standing Orders Committee of the Legislative Council recommends the Council to adopt the following amendment to the Standing Orders:—"Standing Order No. 50 is amended by inserting after the word 'of'" second occurring in line 4 the words "fifteen minutes past".

The Hon. Sir LYELL McEWIN (Chief Secretary)—For some time honourable members have been discussing the desirability of altering the hour of meeting of the Council to meet the convenience of those who may be engaged on official business during the luncheon period. Because of the opinions expressed, the Standing Orders Committee met yesterday and unanimously decided that the hour of meeting should be altered from the existing time of 2 o'clock until 2.15 o'clock. Members will be interested to know that the Council Standing Order has been considered a number of times. As far back as 1859 there was a move to have the hour altered to 1 o'clock, and another move was made in 1870 to make the opening time 3 o'clock. Neither of those suggestions was agreed to. Apparently, the Council has been contented throughout the years to strike the happy medium of half way between those two hours. I think the time suggested will meet the requirements

of members when they have to attend functions during the luncheon hour. I commend the recommendation to the favourable consideration of members and move that the report be adopted.

The Hon. F. J. CONDON (Leader of the Opposition)—I think every member will be happy with the suggested alteration. I do not know when it will come into operation, but understand it will not be for some time. The President might advise members when the alteration is likely to become effective.

Motion carried.

The Hon. Sir LYELL McEWIN moved—That the report be printed and that the amendment be presented to His Excellency the Governor for his approval pursuant to section 55 of the Constitution Act.

Motion carried.

The PRESIDENT—I will advise honourable members later when the alteration will come into operation, but in the meantime the Council will still meet at 2 o'clock.

PUBLIC PURPOSES LOAN ACT.

His Excellency the Governor intimated by message his assent to the Act.

STAMP DUTIES ACT AMENDMENT BILL.

Read a third time and passed.

LOTTERY AND GAMING (FLOOD RELIEF) BILL.

Read a third time and passed.

AUDITOR-GENERAL'S REPORT.

The PRESIDENT laid on the table the Auditor-General's report for the year ended June 30, 1956.

LOCAL GOVERNMENT ACT AMENDMENT BILL (MOTOR PARKING).

On the motion for the third reading,

The Hon. F. J. CONDON (Leader of the Opposition)—I regret that it is necessary for me to oppose the third reading. I am quite in accord with certain provisions of the Bill, but the Opposition cannot allow the Bill to pass without entering a further protest. I think I made it clear when speaking on the second reading and in Committee that I considered that this is a departure from anything that we have done previously, and my colleagues and I are most jealous of the rights and powers of Parliament. This measure gives the City Council power to institute by-laws forthwith and we would have to wait for as

long as eight months before any action could be taken if it were thought desirable. This is not a trifling matter and I am very sincere in my attitude on it. On all occasions I endeavour to uphold the prestige and dignity of Parliament and I think that this is a step in the wrong direction which should not be dealt with lightly. Sir Arthur Rymill did not dispute anything I said and I will read his remarks:—

The usual procedure with a by-law is that it lays on the table of both Houses, is subject to disallowance, and does not come into force until the time for disallowance has elapsed. This Bill makes a much more practical approach for this type of by-law. I do not necessarily advocate the method adopted in this Bill for all by-laws—in fact, I do not think it would be a good thing.

That clearly shows that this is a departure from practice and that this Council ought to be very very careful about adopting it. The Opposition enters its protest to the handing over of these powers to an outside body; the moment we do that we are weakening the privileges and status of this place.

The Hon. E. ANTHONY (Central No. 2)—I am rather surprised at the honourable member, who is a very experienced Parliamentarian, taking this stand. We all acknowledge that this is a departure from ordinary practice—

The Hon. S. C. Bevan—We say it is a wrong one.

The Hon. E. ANTHONY—You are at liberty to think what you will, but the circumstances are entirely different.

The Hon. K. E. J. Bardolph—Don't hard luck cases make bad law?

The Hon. E. ANTHONY—They say so. Nothing quite like this has happened before. The City Council is making provision for parking meters, and in order that it should not be involved in heavy expense it is trying, with the help of Parliament, to make this simple provision so that it will not have to bear heavy costs.

The Hon. F. J. Condon—I hope the honourable member will be consistent in this view in the future.

The Hon. E. ANTHONY—If similar circumstances arose I hope that I would be just as strong in my support. The honourable member can rest assured that there is no delegation of power to any other body; Parliament delegated the power of local government long ago. If the City Council passes by-laws under this

measure they will take the same shape as any Government regulations and come into operation immediately. It does not follow, however, that Parliament will not have an opportunity to disallow them at some future time. Parliament may be out of session as it is on many occasions when regulations are promulgated, but the regulations must come before it eventually. I do not think any grave injustice is being done and I hope that the impression will not get abroad that we are handing over powers to any other body.

The Hon. Sir ARTHUR RYMILL (Central No. 2)—By-laws are usually made by councils under general powers referred to them by Parliament, and they make by-laws exercising some particular facet of that power, as for example, where traffic control powers are referred to councils they have the right to make by-laws regulating parking in certain streets or creating prohibited areas, and so forth. That is an instance of the specific exercise of a general power, and that is the usual thing that is done. Councils are often given liberty to regulate certain things without referring them to Parliament, such as fixing fees.

The reason why I said that, although this Bill was unusual, I thought that this was an appropriate power for Parliament to give, was that the powers delegated under it are so specifically directed and so narrow that, in effect, the Bill is a by-law in itself. It could readily be likened to any by-law that is presented by a council to this Parliament under which certain franchises are given to a council to operate without further reference to Parliament. That is what this Bill does. It specifically directs very narrow powers to the councils and then gives certain minor liberties within those powers. I cannot see that any principle is being infringed, or that, in effect, anything different is being done from what is normally done.

The Council divided on the third reading—

Ayes (13).—The Hons. E. Anthony, J. L. Cowan, L. H. Densley, E. H. Edmonds, N. L. Jude (teller), Sir Lyell McEwin, A. J. Melrose, Sir Frank Perry, W. W. Robinson, C. D. Rowe, Sir Arthur Rymill, C. R. Story, and R. R. Wilson.

Noes (4).—The Hons. K. E. J. Bardolph, S. C. Bevan, F. J. Condon (teller), and A. J. Shard.

Majority of 9 for the Ayes.

Third reading thus carried.

NURSES REGISTRATION ACT AMENDMENT BILL.

Second reading.

The Hon. Sir LYELL McEWIN (Minister of Health)—I move—

That this Bill be now read a second time.

The principal objects of the Bill are to enable the Nurses Board to accept payment of fees in advance and to exempt from payment of fees nurses who are registered in other States or territories of the Commonwealth and are in the full-time employment of the Federal Government. The opportunity has been taken at the same time to make various improvements to the principal Act, and to revise certain of its provisions. Most of the provisions of the Bill apply equally to nurses, mental nurses, midwives and mothercraft nurses, and, for convenience, I shall, in general, use the expression "nurse" to include all four kinds of nurse, and the expression "registration" to include the enrolment of mothercraft nurses.

At present under the principal Act a nurse pays an initial fee on registration, and subsequently is required to renew her registration and pay a renewal fee before the end of December in each year. Nurses frequently desire to obtain renewals in advance, in some cases, because they are leaving the State, in others, simply because the fee is small—it is five shillings—and it is convenient to pay several years' fees at once. Until recently it was the practice of the Board to grant renewals in advance. However, the Board has been advised by the Auditor-General that it has no authority to accept fees in advance, and it has therefore had to cease granting renewals in advance. This has caused considerable inconvenience, particularly since many nurses pay their fees by post and include fees paid in advance, and the Board has had to return these fees. The Board has asked the Government that it should be authorized to accept fees for up to four years at a time, and the Government has agreed to grant the Board's request. The practice of accepting these fees in advance is both convenient and harmless. The Board has also asked that nurses who are registered in another State or a Territory of the Commonwealth and are employed full-time by the Commonwealth Government, should be exempted from payment of registration and renewal fees. A similar exemption has recently been granted to doctors so registered and employed. The Government regards this

proposal as reasonable and has agreed to give effect to it.

The opportunity has been taken in the Bill to revise the provisions of the principal Act relating to the renewal of registration in order to bring them more into accord with the practice followed by the Board. At present under the principal Act it seems that if a nurse fails to renew her registration, her registration ceases to have any effect. However, it is not the practice of the Board to treat such a nurse as unregistered, and, indeed, under the principal Act, her name cannot be removed from the register until she has failed to pay a renewal fee for two years in succession. The Board regards such a nurse as unregistered only when her name has been duly removed from the register for non-payment of renewal fees. The Bill, instead of requiring annual renewal of registration, provides that the registration of a nurse will remain in force until duly cancelled or suspended or her name is duly removed from the register. An annual retention fee, however, must be paid and, if this fee is not paid, the Bill provides that her registration may be cancelled or suspended.

These matters are principally dealt with in clause 7, which repeals the provisions of the principal Act dealing with the renewal of registration and provides for the new scheme. It also provides for the acceptance of retention fees for up to four years at a time, and exempts from payment of registration and retention fees nurses who are registered elsewhere in the Commonwealth and are employed full-time by the Commonwealth Government.

In addition, the clause provides that the Board may remit arrears of retention fees. During the second world war the Board allowed the names of nurses serving abroad with the forces to remain on the registers kept by the Board without payment of fees. The authority of the Board to do this was doubtful, and the opportunity has been taken in this Bill to enable the Board to remit arrears of retention fees if it thinks reasonable cause exists for so doing. This power will enable the Board to remit arrears of fees in the future should the necessity arise.

Clause 7 also provides that the Board may recover an unpaid retention fee in a court of summary jurisdiction, and that the Board may remove from a register the name of any person who applies in writing to have her name removed therefrom. The Board has not at present power to remove a name from a register on application and this causes considerable

inconvenience. Clauses 6, 8 and 13 (b) make amendments to the principal Act consequential upon Clause 7. Clauses 9 and 12 enable the Board to cancel or suspend the registration of a nurse on non-payment of a retention fee. Clause 14 provides that renewal fees shall be payable for 1957 in the same way as at present. For administrative reasons, it is not possible to introduce payment of retention fees until next year. Clause 15 validates the granting of renewals in advance by the board prior to the commencement of the Bill.

The remaining provisions of the Bill deal with miscellaneous matters. Clauses 3, 4 and 13 (a) delete references to the Australian Trained Nurses Association in the principal Act and insert in their place references to the Royal Australian Nursing Federation (S.A. Branch). The reason for this alteration is that the Australian Trained Nurses Association of South Australia has recently changed its name to the Royal Australian Nursing Federation (S.A. Branch). Clause 5 deletes references to the British Empire in the principal Act. These references were never really required and it is considered that the opportunity should be taken to delete them. Clause 10 repeals provisions of the principal Act requiring the registers kept by the board to be published in full in every year in which the Minister so directs, and requiring a supplementary list showing all alterations to the registers to be published in every other year.

The publication of the registers and supplementary lists is expensive. The Government Printer's charges for publishing the full registers in 1954 were £658, and the cost of printing the annual supplementary list is about £150. As there are about 5,000 registered nurses a considerable amount of work is involved in preparing the registers and lists for publication. The board is of opinion that no useful purpose is served by requiring the registers or supplementary lists to be published, and has recommended that publication should no longer be required. The Government has accepted this recommendation, and accordingly this clause makes the necessary amendments to the principal Act to bring to an end the publication of the registers and the supplementary lists. Clause 11 makes an amendment consequential upon clause 10.

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

PRICES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 3. Page 835.)

The Hon. S. C. BEVAN (Central No. 1)—This Bill is to extend the provisions of the Prices Act for a further 12 months, which I think is essential because quarterly adjustments have been suspended since November, 1953. However, I regret that this legislation has not been made permanent, instead of being extended from year to year. Although there has been some semblance of price control in this State, prices have increased, so much so that the workers are receiving 12s. a week less than they are entitled to receive. This gap between the living wage and prices will be further increased in the near future, because it is estimated that a further minimum increase of 10s. in the cost of living will be announced. This increase will be aggravated by the recent action of the South Australian Government in increasing house rents.

The Hon. Sir Frank Perry—Are rents in the cost of living figure?

The Hon. S. C. BEVAN—Considerable emphasis was placed on rents paid by tenants of Trust homes at the last inquiry of the Board of Industry in this State. The Housing Trust is the greatest landlord in South Australia, so the rents it charges are paid by thousands of people. Although some rents are now £3 5s. a week, the amount allowed in the State living wage is only 22s. 6d. a week.

The Hon. E. Anthony—Is that unreasonable?

The Hon. S. C. BEVAN—Can the honourable member obtain a five-unit home for 22s. 6d. a week?

The Hon. E. Anthony—No.

The Hon. S. C. BEVAN—The Trust is charging £3 5s., but the Board of Industry has allowed only 22s. 6d. in the State living wage.

The Hon. Sir Frank Perry—But that was a long time ago. The basic wage has gone up a lot since then.

The Hon. S. C. BEVAN—No, it has not. The allowance of 22s. 6d. for rent was embodied in the State living wage in 1948. It is interesting to note that when any decrease in price takes place the Premier invariably makes the announcement, but when

there is an increase somebody else does so. Section 13 of the Act provides:—

(1) The Governor may appoint such prices committees as he deems necessary for purposes of this Act.

(2) The Governor shall by the minute of appointment of a committee specify the classes of goods, or services, or goods and services in respect of which the committee shall have power to make recommendations.

(3) The Governor may, by notice in the *Gazette*, vary the classes of goods, or services, or goods and services in respect of which a committee has power to make recommendations. From this it can be seen that, although information is gathered by the Prices Commissioner and his officers or by prices committees, the Minister is the person who fixes the prices of goods or charges for services. When the Premier announces a reduction in prices, apparently the object is to make the public believe that he is responsible, but under no circumstances does he accept responsibility for increases. In his second reading speech the Minister said:—

The Government adheres to the policy of not imposing unnecessary controls, but information in the possession of the Government clearly indicates that there is still a strong case in South Australia for the continuance of price control in the interests of the public.

In the commerce of this State there is not at present sufficient free competition to protect consumers against excessive prices. Price fixing arrangements of various kinds are common and effective. A trader who endeavours to charge less than the price determined by his trade association may often find himself in difficulties, *e.g.*, he may find his supplies cut off. Generally speaking, the trade associations are able to prevent price reductions.

I fully endorse those remarks. I and other members have made similar comments in the Council. This kind of statement brings home to us the weakness of our own legislation in allowing such conditions to exist. If a trader can sell his goods at a lower price than that fixed by his trade association and still make a reasonable profit, he should be allowed to do so, instead of being subject to the dictates of his association and threatened with the cutting off of his supplies unless he toes the line.

This action gives the lie to the statement that goods are in plentiful supply and competition is keen. If it were true, the traders' associations would not be able to adopt their present attitude. It is only fair and reasonable to allow a trader to sell his goods at a cheaper rate if he is able to do so and still make a reasonable profit, and thus allow the general public to benefit. In effect, the associations say, "You will do what we tell you,

or you will not get goods for sale". That is brought about by the acute shortage of goods. If the same thing happened in reverse, there would be a terrible howl. The Minister also stated:—

In the last 12 months the South Australian Prices Department has become the investigating body on an Australia-wide basis for a number of the largest industries in Australia whose headquarters are situated in the eastern States. The decisions being given by the South Australian Prices Department are being accepted by other State authorities and by the companies concerned in the States where price control is not operating and being applied on an Australia-wide basis.

The Hon. E. Anthony—Do you believe all that?

The Hon. S. C. BEVAN—If the honourable member, who belongs to the same Party, feels that the Minister has not told the truth in that statement, he should say so. The statement is an admission that there should be one price-fixing authority for the Commonwealth. This is the only way that uniformity could be obtained, and therefore is a further reason why our Prices Department should be on a permanent basis, instead of existing from year to year. It is apparent that prices fixed in this State are being accepted in the other States. This reflects great credit on our Prices Department, but not any credit upon the State Government, as ours is the only State in the Commonwealth where quarterly adjustments of the basic wage are not made. Employees in this State are thus at a distinct disadvantage compared with those in the other States, whereas the manufacturers in this State have a distinct competitive advantage over their counterparts in the eastern States. It seems rather strange that interstate industries should be guided by a Prices Department operating in South Australia where quarterly adjustments of the basic wage are not made, whereas employees operating under State legislation in the eastern States have the benefits of increased cost of living adjustments. Manufacturers in the eastern States are guided by the South Australian Prices Branch, acting upon its advice in the fixation of their prices, and apparently they can afford to continue quarterly adjustments. In his statement the Minister further said:—

The decisions being given are not only protecting consumers in this State, but are likewise protecting consumer interests throughout Australia.

The Hon. E. Anthony—Commodity prices are much higher in New South Wales where there are no controls.

The Hon. S. C. BEVAN—That may be so for a few articles like potatoes when there is an acute shortage. That has an adverse effect upon this State, because our supplies are sent to the other States to get the benefit of the higher prices.

The Hon. F. J. Condon—If we are protecting Australian consumers, the Prices Department should be permanent.

The Hon. S. C. BEVAN—Of course it should be, and there should not be a threat over the heads of its officers that they may have to look for other employment. With price control, manufacturers and retailers know that if they overstep the bounds they will be subject to immediate action. Control has a stabilizing effect on prices and must affect our economy, despite opinions to the contrary. The Premier was reported in the *Advertiser* of August 22 to have said, "Price control has had a very stabilizing influence on the cost of living. It cannot be said otherwise." That apparently is the Premier's opinion in relation to price control, and therefore I feel that we must retain control under existing conditions. Without such control, the price of goods will skyrocket. As pointed out by the Minister, there have been some reductions in the price of consumer goods due to price control. The price of tea was reduced by 6d. a pound during the year, but credit for that reduction cannot be taken by the State Government. To a large extent the price of tea in Australia is governed by overseas auction prices. When a drop occurs overseas, the Prices Department takes note of it and decides that it should be passed on to consumers. Undoubtedly it has done so. The Minister stated when introducing this measure that there have been two reductions over the period in the price of tea, one of 4d. a pound and another of 2d. a pound.

Timber is another item which has been reduced in price. This is used in home building, and the reduced price should be reflected in the cost of a house. The Minister said:—

As a result of negotiations with timber merchants a consumer saving of £14,000 per annum was implemented and the South Australian Housing Trust enjoyed a major proportion of the saving.

I should think that other building interests would also enjoy the benefit of that reduction. I know that £14,000 per annum is only a small amount, but that figure only relates to a saving by the Housing Trust under a certain agreement. It does not alter the fact that there has been a reduction in the price of

timber and it must be reflected in the cost of every house because a considerable amount of timber is used in every house. That decrease has not been neutralized by increased wages, because there have been no increases other than the inadequate one of 10s. a week which was awarded a little while ago. The Minister went on to say:—

It must also be appreciated that in 1954 (latest figures available) there were 51,056 persons in South Australia in receipt of a pension, not including some 20,000 war service pensioners, all of whom are fully dependent upon their fixed incomes. This minority group is justly entitled to all the protection which can be given to it.

I cannot reconcile the Government's attitude with that statement. I thoroughly endorse those remarks of the Minister and have repeatedly done so, and I hope that they are the Minister's sincere opinions. I refer again to the action of the Commonwealth Government which has resulted in the increase of rents. A considerable number of the pensioners referred to by the Minister are tenants of Housing Trust homes, and the Government had no compunction in increasing their rents. They are affected because of the very fact that they are fully dependent upon their fixed incomes. That does not apply so much to the earlier Trust tenants whose rent was fixed at approximately 12s. 6d. a week, but today tenants are paying considerably more than that.

The Minister has given a lengthy list of items which have been under review and in respect of which the Prices Branch, after making inquiries, has effected price reductions. There are 15 items mentioned, which indicates that it is necessary to watch continually the trend of prices and retain this legislation. On analysing these items I find that there are only six out of the 15 which would have any direct bearing on the fixation of the living wage.

All sorts of evasive actions have been taken by people from time to time in an attempt to side-track inquiries by investigating officers in their efforts to get the true picture of what is taking place. The Prices Branch has given great service in carrying out its operations, and after investigation it has reduced prices where necessary. On the other hand, when it was felt that an increase in charges or services was necessary it has awarded increases. We know also that some items have been recontrolled. There is still a big demand for many commodities, and if we did not have this

legislation I hate to think what prices would be. I have heard members claim that prices would find their own level. That may be so in the final analysis because nobody would be able to pay the prices for goods and we would have many more unemployed than we now have.

I have heard it said that there is work in the country and that nobody would take it. I point out that if there was work offering and a person refused to accept it he would be liable to have his unemployment relief immediately discontinued. If there is work offering in the country and unemployed people have not been directed to it, there must be something wrong with the department. My suspicion is that there is no work available in the country.

The Hon. C. R. Story—Are you speaking of skilled or unskilled labour?

The Hon. S. C. BEVAN—Perhaps the majority of unemployed would be unskilled, but I suggest to the honourable member that if a man has had no previous experience on a farm he can still be employed and learn the work. A man does not need any particular skill to work on a sheep or cattle station except perhaps knowing how to ride a horse. I feel that without this legislation the State would be in a much worse economic position than it is now. I have much pleasure in supporting the second reading.

The Hon. Sir FRANK PERRY secured the adjournment of the debate.

WATERWORKS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from October 3. Page 839.)

The Hon. E. ANTHONY (Central No. 2)—I have always considered it a very sound principle that finance is government and that we should take as little profit from the people as possible consistent with carrying on the affairs of the State on a sound economic basis. This is a small amendment to the Waterworks Act which provides a little more revenue, and I have no objection to that. The Auditor-General in his report last year warned the public on this very situation, when he said:—

The deterioration in the annual financial results of this undertaking over the past few years has been caused by substantial increases in costs which have not been matched by increments in earnings derived mainly from increasing services.

In that he put his finger on a very important point. Over the last few years the Engineer-

ing and Water Supply Department, like many others, has invested in high powered machinery to cheapen the cost of public works, but I do not know if it has been followed by any diminution of manpower, and these heavy deficits in Government departments continue. The report continued:—

The extent of the development of the metropolitan area and the increasing demand for water and the effect on this undertaking is shown below. An unusually heavy increase (20 per cent) occurred in water consumption, from 14,728,000,000 gallons in 1953-54 to 17,657,000,000 gallons in 1954-55, when a dry summer was experienced and no restrictions were imposed. Further deterioration in the finances, therefore, can be arrested only by increased charges to consumers. Action in this regard has been taken for 1955-56 by a reassessment of values of ratable property, and consequently rate revenue, apart from expansion, should rise substantially in the ensuing year.

I am fully in accord with that, and I agree with Mr. Condon who, like myself, has constantly urged that the charges for these services have been too low. The public is prepared to pay for services, and I do not think it is right for the Government not to charge accordingly. The railways have been carrying goods at a loss, and for the year ended June 30, 1955, the deficit on country water districts was £854,093.

The Hon. W. W. Robinson—There was also a deficit in the Adelaide water district last year.

The Hon. E. ANTHONY—Yes, but it was the first time. For many years it showed a profit of about 10 per cent. I do not want to start an argument of country against city, but I think country districts to which water is carried at great expense should be able to pay operating costs. The Engineering and Water Supply Department accountants might consider the matter to see if there is any way to derive a little more revenue. We cannot say that water is more valuable in the country; it is valuable anywhere.

The Hon. C. R. Story—It is productive in the country.

The Hon. E. ANTHONY—I know the old argument about indirect benefits, but I do not think that any public utility should lose money. The Government is already fore-shadowing extra taxation.

The Hon. S. C. Bevan—The water allowance for each £1 of the rate is less now than it used to be.

The Hon. E. ANTHONY—I cannot see why excess should cost less than rebate water.

In recent years it has been the practice of the Department to remove water meters, which is all right so long as the people do not abuse the privilege. Some years ago there was an agitation in the House of Assembly to have meters removed because they were not registering excess in many cases, they cost between £10 and £20 each to install, and it was felt that it would be cheaper not to have them. We then felt the people would not abuse the privilege, but we have seen since that we were wrong.

In 1930 an inquiry was held into water rating. Although this inquiry lasted for many years, no conclusions were reached, as there was some legal difficulty about the committee continuing. However, there was a good reason for the inquiry, because of the differences in rating. For instance, a brewery and a warehouse could be charged the same rate, although the brewery would use much more water. This Bill is a small one. It is an amendment of the principal Act, section 83 (1) of which provides:—

The Commissioner may fix a minimum water rate payable in respect of vacant land comprised in any assessment, and may also fix the minimum water rate payable in respect of land and premises (other than vacant land comprised in any assessment).

The charge under the Act is 5s. for vacant land without a service and 15s. for vacant land on which a service is provided. The Bill provides that the Minister may fix whatever minimum water rates he wishes, and I am sure he would not be likely to abuse the privilege. I do not know how much extra revenue this will bring in, but as I think increases are justified, I support the second reading.

The Hon. R. R. WILSON (Northern)—As water is the greatest asset in both city and country, I wish to make some remarks on this measure. It was interesting to hear Mr. Anthoney refer to the value of water to city and country. I do not want to make any comparison, but I own a city property as well as land in the country, and I know that revenue is gained from the country. It is natural that increased costs must apply to water, as they apply to everything else, and I do not think any one could object to the increases provided in this Bill. I agree with the Leader of the Opposition that water has been too cheap. I have heard it said that 93 per cent of property owners in this State can turn on a tap and obtain water from a Government supply, which proves that the Government has been very wide

awake to the necessity for providing water. A country resident who wishes to provide his own service has many things to contend with, and he must spend hundreds of pounds. The person who has the privilege of receiving water from a State service is far better off.

The main purpose of this Bill is to enable the Minister to raise rates for unoccupied land. For 24 years the owner of a block of land has had to pay only five shillings a year for water rates, and it is time that this was raised. Although the Bill fixes no minimum, I am sure the Minister will raise the rate only to the amount that he feels is fair. The present charge is a paltry one. The Minister has a similar power in relation to sewerage services; this Bill will bring water supply legislation into line with this.

It is pleasing to note that the Government intends to duplicate the water main from Morgan to Whyalla, which is very much required in the north. The revenue from that main is based on consumption only, and I presume that the duplication will be rated on that basis.

The Hon. F. J. Condon—I think it will be many years before that occurs.

The Hon. R. R. WILSON—I do not think it will be. So long as the present Northern members retain their seats, it will not be many years before it is constructed. I have much pleasure in supporting the Bill because it deals with water, one of the greatest assets to the country.

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

HOUSING AGREEMENT BILL.

Adjourned debate on second reading.

(Continued from October 3. Page 840.)

The Hon. Sir FRANK PERRY (Central No. 2)—The Bill indicates that an agreement made between the Commonwealth and the States will provide for South Australia between £3,000,000 and £4,000,000 a year for the next five years to build homes. Consequently, it is of considerable importance to the Government and the people of South Australia. There was a similar agreement in 1945, with which South Australia did not entirely agree and did not work under to any great extent. In the main it provided for houses for rental purposes, and was used extensively in the other States. The money to be provided

under the Bill will be raised by the authority of the Loan Council. I am not sure whether the money comes from surplus Federal revenue, or whether it will be the result of a loan to be subscribed by the public, but I am inclined to think it will come from Federal surplus revenue. The loans will continue for five years. An examination of the agreement indicates that the terms were dictated by the Federal Government. Although it is supplying the money, I can understand the annoyance the Premier exhibited earlier when he did not see eye to eye with the Federal Government.

Portion of the loan is to be used by the home builder, who is defined as a person requiring finance for the erection and purchase of a home. It is a laudable desire, and I think the Council will agree that it is better that a person should be able to obtain a home of his own rather than rent one. It is stipulated that at least 20 per cent of the loan shall be used in the interests of the home builder in 1956 and 1957 and at least 30 per cent in 1958, 1959 and 1960. The Federal Government is definitely laying down a principle that at least some of the money shall be applied to home ownership. Although we do not like to see the Commonwealth dictate such things in an agreement, I feel sure that the Council will agree with the spirit of that provision. It is also provided that 5 per cent of the total shall be made available for servicemen or ex-servicemen, and I do not think any objection will be raised to that. Certain conditions in the agreement have to be complied with by the State, but in return the Federal Government grants a rebate on the long-term bond rate it is called upon to pay. That makes me think that the money is not from loan, but comes from surplus revenue.

The agreement provides that during the first two years interest is to be paid by the States at the long-term bond rate less $\frac{3}{4}$ per cent if the long-term bond rate does not exceed $4\frac{1}{2}$ per cent and less 1 per cent if the long-term bond rate exceeds $4\frac{1}{2}$ per cent. They are cheaper rates than those charged by friendly societies, banks or insurance companies. The money is not loaned direct to the builder of a home, but through building societies and other institutions which build homes. Such societies must charge something for their operations, and the Housing Trust likewise must incur some expense and therefore charge for its administration.

I notice in the Auditor-General's annual report that the Trust for the year just concluded had administrative costs amounting to

£101,000. Its loan expenditure was about £5,000,000. Even if the money is lent to the Housing Trust, it seems that the recipient will not get the money at $4\frac{1}{2}$ per cent, but plus $\frac{1}{2}$ per cent for administrative costs. I mention that because some people think that the Trust or the Government can supply money without charging for administration. Other institutions have administrative charges on loans. There must be some return for that work, and I think in this case it will be found that the recipient of a loan will not receive it at the same rate as the Trust receives it.

The Hon. K. E. J. Bardolph—Would that not apply to the ordinary private lender.

The Hon. Sir FRANK PERRY—Yes. That is the reason why when an insurance company or a bank charges a rate that is the finish, and no other charges are attached to it. The State is responsible under this agreement for the money borrowed, which was not the case under the 1945 agreement when any losses were shared by the respective Governments. Now the State is responsible to the Commonwealth for interest on the money and repayment of the loan.

One pleasing feature for which the Federal Government is to be commended is that a portion of the money is earmarked for war service homes. The State housing authorities evidently will build more of these homes and if they are purchased by servicemen the Commonwealth will pay the State Government the cost of such houses, so that the cost of war service homes is something in addition to the money we receive under the agreement.

The Hon. K. E. J. Bardolph—You know that war service homes are two years behind the applications lodged?

The Hon. Sir FRANK PERRY—But some are built every year, and at least 5 per cent of the money received under this agreement is to be spent on war service homes. The agreement establishes the principle of home ownership and seeks to extend it, and for that I give full marks. The rate of interest is low, but presumably some costs are incurred by the State in handling the money and by the building societies and the Housing Trust in spending it.

The Hon. K. E. J. Bardolph—Would the honourable member agree to lower deposits?

The Hon. Sir FRANK PERRY—Of course, and so would everyone if the Government could afford it. I am a little afraid that the building societies mentioned in this Bill will be

unable to take full advantage of the money earmarked for them under this Bill. However, there is a way by which funds not taken up by the societies can be used by other institutions that are building homes for sale.

Although the agreement has been dictated by the Commonwealth it has been approved by the Premier and his Government and I feel that it is an improvement on the previous agreement in as much as it provides for home builders. There is one other point, and it bears out what I have been saying; rates of interest and charges for the money loaned by the State Government under the agreement

are not mentioned. The Bill simply states that they are to be fixed by the Treasurer on such terms and conditions as he may from time to time determine. That indicates, of course, that the rate of interest will be 4 per cent plus some additional amount, but even though this is so, the rate is lower than can be obtained in any other way for home building and I therefore support the second reading.

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

ADJOURNMENT.

At 3.47 p.m. the Council adjourned until Tuesday, October 9, at 2 p.m.