

LEGISLATIVE COUNCIL.

Thursday, September 19, 1957.

The PRESIDENT (Hon. Sir Walter Duncan) took the Chair at 2.15 p.m. and read prayers.

WATER RATES REMISSION BILL.

Read a third time and passed.

AUDIT ACT AMENDMENT BILL.

Read a third time and passed.

VETERINARY SURGEONS ACT AMENDMENT BILL.

Read a third time and passed.

MARKETING OF EGGS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 18. Page 670.)

The Hon. F. J. CONDON (Leader of the Opposition)—I thank Mr. Robinson for his contribution to the debate. He illustrated the position of the industry here and gave us figures showing prices operating for eggs in the various States. The expenditure of the Egg Board is kept to a minimum, its costs per dozen being half those operating in Victoria. However, last year it experienced a loss of £62,556. Unfortunately, it would appear that we are trying to grind the industry down. I hope Mr. Robinson will support my application for help for the milling industry. Our poultry industry is likely to be exterminated if we do not do something to meet the position. Small industries are being threatened, and yet we are doing nothing to stop it, and possibly an attempt will be made when it is too late.

The parlous position of our egg industry is due to the fact that the British Government is subsidizing home production, thus reducing the demand for Australian eggs. We cannot blame them for that. But for our export of eggs to Victoria, the South Australian industry would be in even a worse position. If it is fair to help the egg industry, it is also fair that other industries should be helped. When I spoke on a similar Bill in 1941 I mentioned that many people produced eggs as a sideline. The legislation provided that people who kept 20 hens or more had to be registered. When he was Minister of Agriculture, Mr. Blesing said that fowls in this State consumed 3,000,000 bushels of wheat annually, but I dispute that. When the original Bill was introduced it was stated that the legislation was to remain in force only

until six months after the conclusion of the war. At that time eggs were 1s. 6d. a dozen, but the price today is much higher. We are now asked to extend the Egg Board's term of office for another three years in order to assist this threatened industry. South Australia cannot afford to see it wiped out. No matter what industry it is, whether producing or manufacturing, we should give it every consideration. I think we are entitled to extend the Act for three years because it is necessary to afford protection locally, but unfortunately we come up against the subsidies granted by other countries that react against the importation of Australian goods. That is becoming a very serious matter, and we should not miss an opportunity to give assistance to local industries.

Bill read a second time, and taken through Committee; Committee's report adopted.

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from September 18. Page 668.)

The Hon. K. E. J. BARDOLPH (Central No. 1)—I support the Bill which, as indicated, is for the purpose of authorizing the Treasurer to borrow and expend money for public works and purposes, and to enact other provisions incidental thereto. I, together with some of my colleagues in this Chamber and in the Party I represent, take exception to the manner in which the Loan Estimates are presented and to various clauses in the Bill that give to the Treasurer the right, after Parliament has determined on various projects, to say whether the money voted by Parliament on any project can be used on it, or whether it will be transferred to some other project. That is fortified by clause 5 (3) which provides:—

If the amount mentioned in any line of the first schedule as the proposed expenditure for the work or purpose mentioned in that line is insufficient for that work or purpose, the Treasurer may issue additional money from the loan fund for that work or purpose but so that the total amount issued under this Act from the loan fund during the financial year 1957-58 for works and purposes mentioned in the first schedule shall not exceed twenty-four million nine hundred and five thousand pounds.

I think that provides an argument for setting up a Public Accounts Committee. From time to time certain undertakings have been embarked on by the Government, and the estimated cost has been shown to be a certain amount, but before the work is completed the

estimated cost is greatly exceeded. In discussing this Bill, the occasion presents itself for us to express to the Government our desires as members of this House to set up a Public Accounts Committee to watch the expenditure of public money after projects have been determined by Parliament and estimates secured.

I notice that the Bill mentions that this Loan money, naturally, is to be borrowed under the provisions of the Financial Agreement. I am one of those in this Chamber who have voiced opposition from time to time to the continuance of that agreement, because I think it retards the progress of the States, more particularly the smaller ones, as more Loan monies have to be borrowed under that agreement from the Loan Council pool. When the Financial Agreement was enacted I do not think it was envisaged that various boards, such as the Melbourne Metropolitan Board of Works, the Electricity Trust of South Australia and the Queensland Electricity undertaking, would be borrowers on the open market, but we now find there is competition between the various authorities that are carrying out work under legislation passed by their Governments for Loan monies, or monies that are sought by the Commonwealth Government under the Financial Agreement to lend to the State Governments to carry out developmental projects. I think the time has arrived when some approach should be made to the Commonwealth Government by this Government, in collaboration with the Governments of the other smaller States, to have the main conditions of the agreement altered to permit those States to borrow on whatever loan market they desire.

Hire-purchase has come into the financial world today and various companies offer much higher rates of interest than public bodies without any tangible security, although they might issue promissory notes. They offer these high rates to skim off money from investors so that they can continue with their undertakings. The Government has been somewhat remiss in not approaching the Commonwealth Government to have these things rectified, and so long as this continues, we will find that the Commonwealth Government is lending back to this and other States money it receives in taxation from industries in those States, and is rightly due to them, but they are charged interest on it.

In the first schedule to the Bill only £670,000 is allocated to the State Bank for advances for homes. Every member knows

that that bank was the pioneer lending authority for home building in this State. I do not know whether it was forced out of home building, but only a few years ago it used to build homes and finance them on the credit foncier system, allowing 25, 30 or 40 years to pay. Now it is only a lending authority and the Housing Trust, which is doing excellent work—and I do not wish to decry it—is the sole building authority in South Australia for Government housing.

I now want to touch on decentralization, housing and the Electricity Trust. I think every honourable member will agree that this Government stands condemned to a degree for its lack of policy on decentralization. Some of the larger cities and towns such as Port Pirie, Whyalla, Mount Gambier, Murray Bridge, Port Augusta and Gawler can be classed as urban areas.

The Hon. L. H. Densley—There is plenty of industry in Mount Gambier, surely.

The Hon. K. E. J. BARDOLPH—Yes, I am not decrying that aspect, but this Government has been remiss in not attempting to establish industries to provide work for the young people who have been brought up in these areas.

The Hon. C. D. Rowe—This Government has done more than any other State Government to establish industries in country areas.

The Hon. K. E. J. BARDOLPH—I have not seen it. I would appreciate it if the Attorney-General in his reply would enumerate the details of decentralization which the Government has carried out. Quite recently a company applied to the Treasurer for assistance to develop gypsum deposits on Kangaroo Island, but it was flatly told that if it could get a bank or lending authority to accept the guarantee of the Government the application would come before the Industries Development Committee for investigation. Mr. Densley and I are members of that committee. The restricted financial policy being pursued by the Commonwealth Bank through its Bank board, under instructions from the Menzies Government in Canberra, is doing things inimical to the progress of South Australia. I and other members know that the financial policy being pursued by the Menzies Government of the same political complexion as the present Government in South Australia is a restrictive one; it is preventing the establishment of industries and preventing the progress of this State as the people desire it to progress.

The Government made all manner of flamboyant promises with regard to an abattoirs at Wallaroo, and we have the famous promises from time to time during election campaigns of a deep sea port in the South-East. However, no effort has been made to make the necessary finance available whereby those who may be interested are guaranteed or lent money for the establishment of these things. I know this Government will lay claim to the establishment of a manufacturing industry at Murray Bridge. Mr. Densley knows the history of that. That industry was financed by the Bank of Adelaide, which very graciously accepted the Government's guarantee and allowed the industry to continue and enlarge, so much so that I understand it is on the way to becoming a very profitable undertaking. This lack of decentralization is denuding the country of its population. Honourable members know that 60 per cent of the population of this State live within the city and suburbs.

The Hon. W. W. Robinson—What is the percentage in the other States?

The Hon. K. E. J. BARDOLPH—I am coming to that. The reason for it is perfectly plain. I had occasion to engage in a political campaign at Wallaroo recently. The clothing industry is the only industry there, with the result that quite a number of young people have to leave their homes and seek accommodation and employment in Adelaide. After they have been down here for two or three years the parents who have attempted to develop these country areas are forced to come down and provide a home in Adelaide and the suburbs for their children. The Minister may laugh, but he knows it is a fact because he represents a country district where this is taking place.

The Hon. C. D. Rowe—The Government will listen to any real suggestion the Opposition has to make, but it has made none.

The Hon. K. E. J. BARDOLPH—I think it has on many occasions.

The Hon. C. D. Rowe—Give me some details.

The Hon. K. E. J. BARDOLPH—I have given you one instance. There is the question of an abattoirs at Wallaroo where there is a deep sea port and the facilities provided by graziers in that area. Those abattoirs would provide some measure of employment for country people. It is true that the Government could say there is no unemployment in Wallaroo, but immediately the silos are completed there will be a good deal of unemployment. That being provided today is only

transitory, because there is no permanent employment for the people there.

The Hon. C. R. Story—Was the honourable member opposed to putting up the silos?

The Hon. K. E. J. BARDOLPH—I am not dealing with silos at present. In 1933 only about 50 per cent of the population of South Australia lived in Adelaide and suburbs. The percentage is well over 60 per cent today and it is estimated that by 1975—if things go on as they are—over 75 per cent will live in the city and suburbs. The Premier might claim that the Government has established the town of Elizabeth, but I do not know of any active industries in that area. It has been stated in the press from time to time that General Motors Holdens propose building and operating large works in that area. I understand that in another instance a factory has been built to manufacture sewing machines, etc., but according to the press that company is seeking public finance by way of debentures, presumably to finance that venture. The Government cannot lay claim to any of the actual progress that we may now enjoy.

At every opening of Parliament the Governor mentions the development of natural resources which is being undertaken by the Government. I should like to know why no effort was made to develop gypsum deposits on Kangaroo Island. Every honourable member knows that the island needs industries, especially as the Government has spent many millions of pounds in providing land for soldier settlement at Parndana. This industry would provide an added attraction to absorb any labour which became available.

The Hon. E. H. Edmonds—It was a case of the company having the desire, but no finance.

The Hon. K. E. J. BARDOLPH—It has the assets, but no liquid finance. The matter was never placed before the Industries Development Committee. Apart from the Bank of Adelaide and one or two other private banks and the State Bank, it is peculiar that the lending institutions have refused to accept the Government's guarantee.

The Hon. N. L. Jude—It also seems peculiar that the company asked the Treasurer to open its factory.

The Hon. K. E. J. BARDOLPH—It asked him to open its mill at Dudley Park. However, the company has not yet gone into production on Kangaroo Island, because it is only in the dry season that it can produce the raw gypsum for milling. It made an

urgent effort to get finance so that it could proceed and have the gypsum made into plaster for the Australian market. However, the raw material is tied up by a certain monopoly in Australia. The Government should expend its energy to see that the raw product is made marketable in the form of plaster.

The Menzies Government has restricted credit, but I have heard no protest from our Treasurer. There has been much shadow sparring in the House of Assembly recently as to how South Australia was being treated, but no definite attitude has been adopted, and no concerted effort made to get the other States to approach those in authority at Canberra.

The Housing Trust has done and is doing a very commendable job, but it virtually has a monopoly of home building. In 1945 the Chifley Government introduced a housing agreement which was ratified by the various States, and it operated for about seven years. An amount of £240,000,000 was provided under the agreement for the building of houses, including houses for letting. Where the wage earner was on a low base rate, he was to be subsidized from this fund. In the last two years this Parliament has ratified a Bill which provided £33,000,000 for the States to finance home building.

The annual requirement for houses in Australia is 55,000 individual units, whether they are flats, homes or pensioners' flats. During the past three financial years an average of 79,000 homes, houses and flats have been completed, and if this rate of construction were maintained for five years and if there were no additional demand, the back lag would then be surpassed. However, we find that the position has not been met because of the financial stringency and because the various lending organizations such as the major insurance companies, the Commonwealth Bank, the Commonwealth Trading Bank, the Savings Bank and private banks have not been able to assist owing to the financial restrictions placed upon them by the Commonwealth Government.

There is no possible chance of even overtaking the back lag, and yet the demand is still increasing. It is wrong for this Government to attempt to delude the people by saying that it is catching up with the housing position. It is well to remember that the Australian population increased from 7,342,000 as at June 30, 1948, to 9,428,000 as at June 30, 1956—one of the highest increases in population growth of any country. A main

factor in the demand for more homes during the post-war period was the substantial influx of migrants, and to house them an additional 20,000 homes are needed. In 1946-47 investments in new houses and flats amounted to £35,000,000 and this increased to £226,000,000 in 1955-56.

Prior to the end of the 1956 financial year a financial rot had set in. The Commonwealth Government issued a decree, and as a result there was a general collapse and chaos in the various branches of the building industry. In 1955-56 the major insurance companies, co-operative building societies and other housing societies financed by the Commonwealth Savings Bank and the Commonwealth Trading Bank made available 23,618 loans totalling £48,000,000. However, because of the restriction there is chaos in the industry. A major proportion of the new money under the Commonwealth Agreement is being channelled into the Housing Trust, thus taking away from the co-operative building societies money necessary to provide loans for building homes. I hope the Attorney-General will see that these things are rectified by the Government so that the economic policy adopted by two Labor Governments during the early post-war period is continued, and so that the people of this State will be happy and contented.

As to the establishment of the Electricity Trust, I will be charged by some honourable members opposite that I voted for its establishment. I did, and so did other Labor representatives because it is part of our policy. Then there is the question of the policy carried out by those in control of the trust. This also applies to other undertakings taken over by the Government. I submit that the intentions which activated the Opposition in voting for the establishment of the Electricity Trust have not been fully put into operation. We were told by the Treasurer when he introduced the legislation that the trust would lower charges to consumers, that meter rents would be eliminated and that there would be extensions to country areas. Labor members agree that country people are entitled to the same amenities as those living in the city area.

The Hon. C. D. Rowe—There have been extensions to the country.

The Hon. K. E. J. BARDOLPH—Yes, but contingent on power being provided to the country areas the price to consumers has been increased. It is all very fine for the Attorney-General to take credit for these things. It is one thing for the service to be extended, but

the power should be provided on an equitable basis.

The Hon. L. H. Densley—Have not charges been increased in Adelaide?

The Hon. K. E. J. BARDOLPH—Yes, considerably. According to the Auditor-General, there have been increases since 1951. I object to one section of the community being asked to pay more than another section. If there is to be an increase in charges, let it be an all-round increase to all users, including industry. Last year the trust earned £10,137,536 and the cost of earning that income was £8,512,240. This undertaking is in a totally different position from that of any other governmental undertaking. The Auditor-General's report shows that large amounts have been loaned by the Government and that the trust has gone on to the open loan market. As at June 30, 1957, debentures totalled £62,874,787, and the average interest payable is 5½ per cent. When this legislation was before the House it was stated that after a certain period the Government was to buy back the debentures at a certain price, but none have been bought back. Rather, extra debentures to the extent of £6,000,000 have been issued and the annual interest Bill, not including the interest on the loan advanced by the Government, is £3,100,000. Although it has earned £10,000,000, it has cost £8,000,000 to do it and in that £8,000,000 is an amount of £3,100,000 for interest, which is not a good position. I do not suggest that the debenture holders should not receive interest, but I am criticizing the Government for not buying back the debentures.

The Hon. W. W. Robinson—What with?

The Hon. K. E. J. BARDOLPH—You won't buy them back with eggshells. I think 4 per cent is the average interest on loan money, so we would be saving about 1½ per cent.

The Hon. C. D. Rowe—From whom would we borrow it?

The Hon. K. E. J. BARDOLPH—It is useless for me to tell the Minister, who knows very well the sources of financial supply to the Government. While we have these outside authorities laying down the financial policy for Governments the smaller States will not be in a much better position. We have been told about the lack of unemployment in South Australia so I shall quote from the monthly publication of the National Bank, which gives a survey of the manufacturing industry. I am doing so, not to attempt to show it is

inaccurate, but to fortify the point I am making. The publication states:—

Some instances where output levels were maintained in the face of substantial reductions in factory staff have been reported, and most industries which have expanded production have done so with a less than proportionate increase in employment. Despite forecasts of stability and intensified manufacturing activity the Survey considers that no parallel expansion in employment will be necessary.

The Hon. C. D. Rowe—Is that for South Australia or Australia?

The Hon. K. E. J. BARDOLPH—It is a general survey of the whole of Australian industries, and the Minister cannot isolate South Australia from the general survey.

The Hon. Sir Arthur Rymill—Do you think that applies to everything?

The Hon. K. E. J. BARDOLPH—I wish we could be isolated in some instances because I think this State would be more prosperous than it is, and there would not be the overall financial control by some outside authority that does not know our potentialities or what projects should be embarked upon.

The Hon. C. D. Rowe—What you are advocating is socialization of the banks.

The Hon. K. E. J. BARDOLPH—I did not use that expression during my remarks, and on the Budget debate I propose explaining to the Attorney-General exactly what is the Labor Party's policy with regard to socialization.

The Hon. Sir Arthur Rymill—It will be democratic socialism.

The Hon. K. E. J. BARDOLPH—It will be, and it will be socialization to such an extent that the people of the Commonwealth or of this State can determine every three years whether they desire it. I do not think my friend has need for any fear about Labor in office, because it has proved itself in every crisis when it has been in office.

The Hon. C. D. Rowe—I am not fearful of the Labor Party being in office in this State.

The Hon. A. J. Shard—You need not be so sure about that.

The Hon. K. E. J. BARDOLPH—I can remember when I was a young boy my father told me, "If ever you enter politics you will always have some bogey raised against you." That was in the days of George Reid, and we had the socialist tiger; as time went on it was some chap from Russia with a bomb. The reason why all these bogeys are raised—and I say this without any offence to my colleague—is that members of another Party have no policy and fear any policy that is acceptable to the people.

The PRESIDENT—Order! The honourable member must come back to the Bill.

The Hon. K. E. J. BARDOLPH—I am coming back to the Bill, because it deals with the economic circumstances of the people of this State. The last sentence in the article to which I referred is proved by a report in this morning's *Advertiser*, which is a very reputable journal. The information gleaned from our reputable daily newspapers is used by historians to write the history of South Australia, and this will go down in history. The article set out:—

Work-hungry Australians were pouring into New Zealand in every crossing of Tasman steamers from Sydney, the president of the Federation of Labor (Mr. F. P. Walsh) said today.

He said the *Wanganella*, which berthed in Wellington yesterday, was "half-full of Australian immigrants after work." They inundated the offices of the federation in Wellington yesterday looking for jobs, he said.

The Hon. E. H. Edmonds—From which State?

The Hon. K. E. J. BARDOLPH—Sydney is the only port from which ships leave this country to go to New Zealand, but I presume people from all over the country would go there.

The Hon. J. L. Cowan—There are still plenty of jobs in Australia, but perhaps the big money was not available.

The Hon. K. E. J. BARDOLPH—Mr. Hasluck and Mr. Holt give figures they get from the Commonwealth Employment Agency, but I know, as the honourable member does, that many people do not register for work but attempt to gain employment of their own volition. Whilst I am not casting any slur on the Commonwealth Employment Agency, those figures are only culled from the registrations made in the respective centres. Until we can get some better control, or better treatment from the Commonwealth authorities with regard to our financial policy, all these much vaunted promises made by the Premier will be of no avail. With these observations, which I have made in all good faith, I have much pleasure in supporting the second reading, and I hope that the Attorney-General will look into points I have dealt with.

The Hon. C. D. ROWE (Attorney-General)—I have listened very carefully to the matters raised by members during this debate and I think there are some to which I should refer and on which I should give some explanation. Firstly, Mr. Condon said numerous works

have been reported on by the Public Works Committee but have not yet been put into effect. He asked whether it was worthwhile for the committee to report on so many projects when it was not possible for them to be started within a reasonable period. In particular, he instanced the reports made on the various country sewerage schemes. I think the answer to his criticism is that it is necessary to make these investigations because, until they are made, it is not possible to form an assessment as to which should have a higher priority than the others.

That applies particularly in regard to sewerage schemes. Until we knew what was involved in the schemes in respect to each particular town, and until we knew what the risk to health was by virtue of not having those schemes, it was not possible to work out a priority one against the other. That applies to most of the inquiries made by the Public Works Committee. The information obtained was necessary to enable the Government and Cabinet to make a reasonably intelligent approach to the various problems, and in all I think it must be agreed that, whilst there are reports that have been completed and the works have not been commenced, in the main the major works of the most importance to the State and which can provide the greatest public utility have been undertaken, and in many instances completed. My comment is not criticism that so many reports have been completed and the work not commenced, but that it is remarkable, in view of the difficulties we have had to overcome in the last few years because of the back lag due to the war, that we have accomplished so much. Whether one considers schools or housing, in every instance the position is very much better now than it was some years ago.

With regard to the criticisms made by Sir Frank Perry relating to the Commonwealth Government raising money by way of taxation from the States and subsequently lending it to the States by way of loan at a rate of interest, I point out that that matter has been raised by the Treasurer with the Commonwealth authorities on every possible occasion during the last six years, and every effort possible has been made by him to achieve what we would like to see in this matter. It seems unfair that we should have to pay interest on money raised from taxation, but I can assure the honourable member that everything that could be done has been done. The Commonwealth raises only a certain amount of taxation and can provide only

a certain amount of money for the States. This amount is divided in accordance with the terms of the Financial Agreement. I assure the honourable member that that matter has certainly not escaped our notice and is raised unfailingly. I hope that at some time our efforts will be successful.

Sir Frank Perry mentioned the road position and referred to the large amount of money to be spent on roads in the United States of America within the next few years. It must be admitted that the United States of America despite its large population has a much more serious problem than we have here. I feel that consequent upon the decision which has been given by the High Court in connection with the Victorian legislation to impose a charge on hauliers, there will be an additional source of revenue available for the repair and overhaul of our roads. The judgment in regard to the South Australian legislation will be given in the not too distant future. This legislation was on somewhat different lines from the Victorian legislation, but I believe that the court will hold it to be valid, in which case it will provide an additional source of income for use on our roads.

I think it was Sir Frank Perry also who raised the question of redemption of moneys which are on loan to the Electricity Trust. The chairman of the trust informs me that depreciation is charged on assets of the trust at rates which comply with the accepted Australian and world standards, and that adequate provision is being made for redemption. I believe the trust operates at least as efficiently as any other undertaking of its kind in Australia. It has met the demand for electricity which is increasing at the rate of approximately 16 per cent each year; it has never had to tell consumers in recent years that there is not enough electricity to meet their requirements, and it has done so at a cheaper rate, considering all the factors, than any other undertaking in Australia. I think it is worthy of comment that the power now being generated at the Port Augusta powerhouse from Leigh Creek coal is the cheapest source of power available in South Australia. The trust is deserving of the very highest commendation, and very little justifiable criticism can be levelled at its efforts.

Mr. Story stated that, considering the large capital investment in the Electricity Trust, and that the trust did not have to pay income tax, the profit that it made was too small. That aspect is being very closely watched by

the trust officers, and I know that if they reach that conclusion some adjustment will be made. The additional power stations being erected will produce current at lower cost per unit than either the Osborne "A" or Osborne "B" power station. There is a possibility that the costs of production will decrease because of this, and also because of the fact that with the greater output the cost per unit will obviously decrease. That matter has not escaped the attention of the trust and will be kept well in mind.

With regard to what I might term the rather woolly comments of Mr. Bardolph regarding various matters, I point out whatever he may say there is no State Government in Australia which has made a greater success of decentralizing industry than this State. Considering the lack of natural resources in many of our country areas, the very limited rainfall, and the large distances with which we have to contend, our efforts have been outstanding. On numerous occasions I have asked various members of the Opposition to submit tangible propositions as to what more can be done in this matter, but I have received nothing worth-while or tangible.

The Hon. K. E. J. Bardolph—In your opinion they were not worth-while.

The Hon. C. D. ROWE—I am suggesting that if the Opposition has any worth-while proposition—something other than the suggestion of appointing a Royal Commission, which is completely nebulous because every possible avenue has been explored—I am prepared to listen to it. If not, I suggest they cease making criticisms for which there is no foundation. With regard to the question of an abattoirs at Wallaroo, I point out that many misstatements have been made regarding that matter. Mr. Bardolph said in this House and also apparently at Wallaroo that the Government had promised to establish an abattoirs at Wallaroo and had not carried out that promise. I should not like to think I had gone on the election hustings and made a statement which is so completely untrue. The position is that the Government negotiated with a company that was interested in the establishment of an abattoirs there. The Government agreed to guarantee a long term loan of £100,000 at the State Bank and an overdraft of £50,000 for the company which was proposing to establish its works there. It went further and gave the company the quota which it sought in order that it could sell in the metropolitan area. Notwithstanding all these facts, the

company found that the proposition was not an economic one and therefore, obviously, it did not proceed. If members opposite suggest that we as a State should enter into ventures which are uneconomical, and that we should subsidize what must obviously be losing propositions, I feel that that policy can only end in chaos. I say quite unequivocally that we have carried out every obligation with regard to an abattoirs at Wallaroo.

The Hon. K. E. J. Bardolph—You put money into the Electricity Trust.

The Hon. C. D. ROWE—If the honourable member suggests that that is an uneconomic proposition or is losing money, I maintain to the contrary. With regard to the question of a deep sea port in the South-East, everybody knows the facts. It was reported on by the Public Works Standing Committee as being an unsatisfactory proposition which should not proceed. I have the greatest respect for the ability and opinions of the members of that committee, and I think that any Government which proceeded on a major enterprise such as that when it had received an adverse report from the committee would be laying itself open to the most severe criticism.

The Hon. A. J. Shard—Then we won't hear about it before the next election.

The Hon. C. D. ROWE—The position with regard to the two particular matters mentioned by the honourable member, namely the question of an abattoirs at Wallaroo and a deep sea port in the South-East, is that the undertakings given by the Government have been carried out to the full.

The Hon. F. J. Condon—There are more flour mills in your electorate than in any other. What have you got to say about those?

The Hon. C. D. ROWE—I agree that every possible assistance should be given, on an economic basis, in that sphere, but I do not think the Government has omitted to do anything which it should have done in that respect. I thank members for their contributions to the debate. I believe the financial affairs of this State have been managed in a most satisfactory manner. Everyone who has had a look at our accounts, including the Commonwealth Grants Commission and the Auditor-General, has had nothing but the highest praise and commendation. I believe the affairs of the State have been managed exceedingly well, and I hope that that will continue. If it does, I believe the prospects

for further and continued expansion are very great indeed.

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

LONG SERVICE LEAVE BILL.

Adjourned debate on second reading.

(Continued from September 18. Page 676.)

The Hon. F. J. CONDON (Leader of the Opposition)—In opposing the Bill, I desire to move the following amendment to the motion "That the Bill be now read a second time":—

Leave out all the words after "be" and insert "withdrawn and redrafted to provide for three months' long service leave after 10 years' continuous service."

No-one is more competent to speak on this subject than my colleagues, as for many years they have been industrial advocates in the interests of the workers.

The Hon. Sir Arthur Rymill—They are not going to be allowed to say what they think about it, are they?

The Hon. F. J. CONDON—That interjection is offensive to me, Mr. President, and I ask that it be withdrawn.

The PRESIDENT—If the honourable member takes offence, I ask that the interjection be withdrawn.

The Hon. Sir ARTHUR RYMILL—I withdraw.

The Hon. F. J. CONDON—I hope that the debate will be on a higher plane than it was in the House of Assembly.

The PRESIDENT—Order! The honourable member must not reflect on another place.

The Hon. F. J. CONDON—I am not. We should deal with the Bill on its merits, and not have any insinuations about honourable members' political observations or desires. No member of the Liberal Party has any right to tell me what I have to do as a member of the Australian Labor Party, and I have no right to tell a Liberal what he has to do. This smear campaign of challenging Labor members that they have no opinion of their own is not politics, or, if it is, it is smear politics. I have advocated long service leave ever since I have been in the Labor movement during the past 50 years, and my colleagues have also adopted the same policy right through. Since 1909 I have had the honour of being a union advocate in every industrial court in Australia, and the first claim I made 48 years ago was for long service leave.

The Hon. E. Anthoney—Why did not your Party put it into operation?

The Hon. F. J. CONDON—That is not the fault of any individual member. I resent the interjection by Sir Arthur Rymill that I am supposed to do what I am told. I advocated this principle of long service leave 48 years ago.

The Hon. L. H. Densley—But you are going to vote against the Bill.

The Hon. F. J. CONDON—Exactly, and I will tell my honourable friend the reason. I oppose the Bill because it does not provide for long service leave, and stops progress towards that end. It has no regard for the employee who has spent his life in industry, but all it does is to give a week's annual leave or payment in lieu thereof to the detriment of long service leave, and is a backdoor method of implementing any policy. Every time a log of wages and conditions is served on employers it is hotly contested. The first case which I advocated in the Federal Arbitration Court was before Mr. Justice Higgins, and it was a claim for 13 weeks' long service leave after 10 years' service. This is not a long service leave Bill, but an annual leave Bill to defeat the unions' claims for a week's extra annual leave. The Bill provides that a worker can take a week's pay in lieu of leave.

The Hon. N. L. Jude—Do you think that should be struck out?

The Hon. F. J. CONDON—I would strike out the whole lot, because it is an abortion. For many years Labor has fought for improvements, but has been opposed by Conservative, National and Liberal and Country League Governments which have been prepared to send high ranking officers into the courts to fight against the introduction of a 48-hour week, a 44-hour week, a 40-hour week and a basic wage.

The Hon. Sir Frank Perry—Is not that misrepresenting the facts?

The Hon. F. J. CONDON—It is nothing of the sort. In the most recent case a Crown Law officer was sent into court to oppose the provision of improved conditions for workers, and yet this Government says it wants to do something on their behalf. I like to give the Government credit where it is due, but it cannot be denied that for many years it has endeavoured to defeat the workers' claims for improved conditions. It is always talking about our prosperity. Can it be said that the shorter working week and the improved standard of living have hurt the prosperity of this country? If it had, we would not

hear this cry about increased prosperity in South Australia. I have heard such arguments ever since I was a boy. I remember when workers had to go before Dr. Ramsay Smith they were asked "How many peanuts do you eat a week?"

The Hon. E. Anthoney—What has that got to do with it?

The Hon. F. J. CONDON—My honourable friend and others try to belittle Labor members because they attempt to submit a case for the workers.

The Hon. Sir Frank Perry—Why condemn the other fellow because he puts up a case.

The Hon. F. J. CONDON—I am not, but I am stating the facts. We are told that the country cannot afford long service leave, and yet we hear so much about this great Playford Government and that South Australia is the home of prosperity.

The Hon. Sir Arthur Rymill—You agree that the Government has done a good job?

The Hon. F. J. CONDON—Yes, but a Labor Government could do a better job. I was an advocate for the only union in the Commonwealth to have received a long service leave award from a Federal court. This Bill does not mean much to us. In 1950 Conciliation Commissioner D. R. Morrison made a Commonwealth award for long service leave to the Millers' Union. Prior to that another union had an agreement registered in the court, but the Millers' Union was the first to be given long service leave by a court. The Conciliation Commissioner sent to me, as advocate for the union, the minutes setting out that he would make an award in 14 days' time. The employers' representative also obtained a copy of the proposed award, and he went to Senator Spicer, who is now the President of the Arbitration Court, appealing against the proposed award. Sir Raymond Kelly, the Chief Judge of the Court, came to me and asked me my opinion on the matter. In my presence Mr. Morrison challenged the employers' representative on his interference with the court, and said that he would pass the award, but the Menzies-Fadden Government amended the Arbitration Act to take away the power of one Commissioner to make an award for long service leave.

After that, we entered into an agreement with our employers. I signed the agreement, and I always honour my signature. The employers did likewise, but when we went to the court Mr. Commissioner Webb said that he could not embody the provision in the agreement because he had no power to do it, this

power having been taken away from a single Commissioner. He said that we would have to go to the Full Court. However, the employers have honoured the agreement.

The Hon. Sir Frank Perry—What are the terms of the agreement?

The Hon. F. J. CONDON—I provides for leave after 15 years' service. I did not agree with the period, but the majority did. I have never had the opportunity to give a vote on the matter, but I will have an opportunity to vote on this Bill, and I will give it in accordance with the principles I have stood for over a period of 48 years.

The Hon. Sir Frank Perry—You were a little before your time, weren't you?

The Hon. F. J. CONDON—I might have been, but I have a very good recollection of what has happened over the years. Although I have not had a good education I have a good memory, and in my public life I never deny any man the right to an opinion, no matter whether he is for or against me.

The Hon. Sir Arthur Rymill—Is that why you asked me to withdraw?

The Hon. F. J. CONDON—I do not get hurt very often, but I was hurt by the honourable member's interjection. Wonderful service is given to industry by the older men, who have a steady effect on younger employees. The value of their services to industry should be rewarded, but what do they get out of this Bill? Absolutely nothing. It has been said that an industrial authority must not be allowed to purchase the right to injure health. We should restore by rest the health of an employee so that he may be able to continue in his employment for a long time. Is there anything wrong with that? After having long service leave an employee returns to work in improved health and with renewed vigour and energy, and the employer benefits in many ways. Some employers may see this in a different light and strenuously oppose the introduction of long service leave. The burden would not be great on industry, and an employee who has given long and valuable service should receive some special reward. This Bill has no concern for the man who has devoted his life to industry, because he is only to be given one week's leave.

The Hon. Sir Frank Perry—He can allow it to accumulate.

The Hon. A. J. Shard—You do not know the employers as a body if you think they will allow that.

The Hon. F. J. CONDON—Under this Bill a man who has had 25 years' service will not get any more leave than one who has given seven years' service.

The Hon. L. H. Densley—It is something that has never been done for him before.

The Hon. F. J. CONDON—I am surprised at that interjection. We are told that this State is prosperous, and if that is so, why not be human and give the employee a reasonable provision? The argument is always used that the State cannot stand these things, but I ask members to look at the returns on capital to see if that is so. Daily paid Government employees receive three weeks' annual leave after five years' service, as well as long service leave on the same conditions as public servants. It is absurd to call this measure a Long Service Leave Bill. If the Government wants to give long service leave, why not give it?

The Hon. E. Anthoney—Is there anything to prevent the honourable member tabling amendments?

The Hon. F. J. CONDON—If the honourable member had been listening he would have heard me say that I am opposed to the whole Bill. I will not move amendments, but if I gave my reasons I would be out of order. My two honourable friends opposite sneer and jeer, but I know where they will be when a vote is taken. This will be a Party vote, so it is no use their jeering at me. I am very sincere in what I have said, and I am not here to hurt anyone's feelings, but this subject has been very dear to me for many years because I think men who devote their lives to industry are entitled to more than the Bill provides. I shall fight every clause of this Bill because I think it is an attempt to defeat long service leave. It is an attempt to defeat the objects of the Party I represent, and members can rest assured that I will do everything possible to defeat it. I oppose the second reading.

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

METROPOLITAN DRAINAGE WORKS (INVESTIGATION) BILL.

Adjourned debate on second reading.

(Continued from September 18. Page 664.)

The Hon. J. L. S. BICE (Southern)—In supporting the Bill I pay a sincere tribute to the Leader of the Opposition (the Hon. F. J. Condon) for the comprehensive survey he made

when he spoke in this debate. He gave a complete picture of all the difficulties associated with the drainage problem that this Bill seeks to solve.

As a member of the Public Works Standing Committee I had difficulty in seeing why this matter should be referred to Parliament instead of direct to the committee from Cabinet, but section 26 of the Public Works Standing Committee Act provides:—

Any question relating to any project whether a public work within the meaning of this Act or not, and irrespective of the estimated cost thereof, which, if carried out, will require the expenditure of moneys voted, or to be voted, by Parliament, may be referred to the committee by the Governor, or upon motion made in the usual manner by any Minister or any other member of either House of Parliament, for inquiry and report.

After discussing the matter with the Minister and reading that section, I realized why such an important measure had been submitted to Parliament. One district council and many corporations are affected by the floodwaters, and Cabinet apparently wished to place the matter before Parliament rather than refer it direct to the committee.

Although the Mount Lofty Ranges are beautiful, they create difficulties for people both in the hills and on the plain. The Sturt Creek, which rises in the hills and flows through Crafers, Cherry Gardens, Belair, Blackwood, and other hills settlements, creates drainage difficulties for plain dwellers. Coming down Tapleys Hill only this morning I saw the immense building activity that has taken place in the Marion and Brighton district, and one can readily appreciate why councils are having difficulty in meeting the expenditure required to solve the drainage problem.

I am sure this Bill will have the support of all honourable members and that they will subsequently read the report of the Public

Works Committee with much interest. Further, they will be able to discuss this question again after the publication of that report. The Minister was wise to submit to this Chamber the comprehensive report by the committee which, under the chairmanship of Mr. Dridan, considered the conditions applying in the districts affected. In speaking on the Bill the Hon. F. J. Condon referred to clause 5, which states:—

This Act shall not affect any power to refer to the committee any question whether relating to the proposed drainage works or any other matter.

The Minister has an amendment on the files that deals with the question of maintenance, but I do not know that that is so vital because I believe that question will be thoroughly investigated by the committee, which will have wide powers under clause 5. The Meadows, Mitcham, Marion, Brighton, and possibly West Torrens councils are all affected by the floodwaters and it is only natural that they should wish to give evidence before the committee. Possibly members may wish to read the evidence submitted and I am sure that the committee will make it available so that members may be familiar with what is going on. I support the Bill and believe that, as in the case of the Broken Hill Proprietary Company Indenture Act which preceded the construction of the Morgan-Whyalla pipeline, this matter is so important that it should first be considered by Parliament rather than referred direct to the Public Works Committee.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

ADJOURNMENT.

At 4.11 p.m. the Council adjourned until Tuesday, September 24, at 2.15 p.m.