

LEGISLATIVE COUNCIL.

Tuesday, September 23, 1958.

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

QUESTIONS.**SPEED LIMIT PAST ROAD WORKS.**

The Hon. F. J. CONDON—I understand that the State Traffic Committee has recommended that the Parliamentary Draftsman prepare draft regulations to allow Government and local government road-working parties lawfully to erect speed restriction and de-restriction signs on roads adjacent to road works in order to provide for a standard speed limit past such points while work is in progress. Can the Attorney-General advise whether any action has been taken?

The Hon. C. D. ROWE—I understand the matter is under detailed consideration because the notices would be required at any particular spot for a relatively short time while the men were working, and would have to be removed at night. As soon as anything is decided I will let the honourable member know what the decision is.

PORT WAKEFIELD ROAD ENTRANCES TO CITY.

The Hon. C. R. STORY—At a recent conference of the Yorke Peninsula Local Government Association resolutions were passed regarding the entrances of the Port Wakefield Road to the city, both at Prospect and Port Adelaide. Has the Minister of Roads anything to report regarding these matters which I have raised with him?

The Hon. N. L. JUDE—The honourable member was good enough to inform me that he intended to ask this question. I have just advised the secretary of the association that the matter of the continuation of Prospect Road is in the hands of the corporation of Enfield, who propose ultimately to connect Prospect Road with Diagonal Road, i.e., Adelaide-Dry Creek Main Road. With regard to a connection with Grand Junction Road, the Highways Department is preparing a plan for connecting the Port Wakefield Road, at the Philip Highway intersection, with Port Adelaide.

SOUTH-WESTERN SUBURBS DRAINAGE SCHEME.

The Hon. F. J. CONDON—Has the Minister of Local Government a reply to the question I asked on September 3 with reference to the south-western drainage scheme?

The Hon. E. ANTHONY—May I draw attention to the fact that there is already a question on the Notice Paper respecting the same matter.

The PRESIDENT—We are still dealing with questions. Mr. Condon asked a question and the Minister was about to reply.

The Hon. N. L. JUDE—The questions do refer to the same matter, but I was about to reply to Mr. Condon, who is the deputy chairman of the Public Works Committee and who, following an interjection, asked a question as to when the councils concerned were requested to submit evidence on this matter. On March 27, 1958, copies of departmental reports concerning the proposed south-western districts floodwater drainage scheme were forwarded by the committee to the local governing bodies affected with the request that they should study the reports and advise the committee when they would be prepared to tender evidence. Any delay up to the present has been caused by the holding of a conference between these local governing authorities, which proved to be abortive, and the preparation of their cases for presentation to the committee.

OIL EXPLORATION IN INNAMINCKA AREA.

The Hon. F. J. CONDON—Is the Chief Secretary satisfied with the progress of the exploration for oil in the Innamincka area, and, if so, can he give any information to the Council?

The Hon. Sir LYELL MCEWIN—As the honourable member knows, the work at Innamincka is being done by a private company which has taken a lease. It is doing a great deal of work on which the services of the Mines Department staff are being used. Any work the department does for the company is the property of that company until it surrenders the lease, and therefore, it would not be proper for me to comment. I can only say in general that, as far as I am concerned, the work of the departmental staff was very valuable and appreciated by the company concerned.

SOUTH-WESTERN DRAINAGE.

The Hon. E. ANTHONY (on notice)—Is it the intention of the Minister to urge the Government to make the necessary finance available during the session to provide the drains recommended in the report of the South-Western Drainage Committee?

The Hon. N. L. JUDE—The report of the South-Western Drainage Committee has been

referred to the Public Works Standing Committee, which delayed hearing the councils on this project to enable the councils to consider the proposed scheme, and to allow them to confer with a view to reaching agreement on the problems involved. The Public Works Standing Committee has been advised that the conference was abortive. The committee has recently heard evidence from six of the councils. Eight local governing bodies are affected by the scheme and arrangements are in hand for the other two authorities to tender their evidence. It is not lawful for the Treasurer to provide money on the Loan Estimates until the report of the Public Works Committee is received.

MAINTENANCE ACT AMENDMENT BILL.

Read a third time and passed.

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from September 3. Page 661.)

The Hon. F. J. CONDON (Leader of the Opposition)—This Bill gives honourable members an opportunity of contributing to the debate and seeking information. I did not get much this afternoon when I asked the Chief Secretary for certain information, but probably I shall be able to read it in the press a day or two hence. We can generally learn from the press what is happening although we do not seem to be able to get that information here.

This Bill is important. The total expenditure proposed is £27,350,065, being £26,722,000 on works and services and £628,065 for funding deficits. The necessary funds will be obtained by borrowing £24,300,065 pursuant to the Financial Agreement and from £3,050,000 repayments to the Loan Fund. In addition, £5,000,000 is being made available to the State under the terms of the Commonwealth-State Housing Agreement. Of this amount £3,500,000 is to be allocated to the Housing Trust and, for the purposes of making advances to home builders, £1,200,000 will be made available to the State Bank and £300,000 to building societies.

Before I deal with certain matters in this Bill, I will refer to certain statements made recently in connection with the South-Western Drainage Scheme, which is estimated to cost £3,407,000. The first stage is estimated to cost £1,774,000. It is a complicated scheme. The

Government is to pay a proportion and the rest of the cost is to be divided, on the recommendation of the committee, amongst the various councils.

Recently, the Public Works Committee began an inquiry, which has been proceeding for some three or four weeks. I note with great surprise in this morning's press a statement by a councillor who said that the Public Works Standing Committee did not have the decency to advise the Marion Council when it was to give evidence. The committee has been to a great deal of trouble over this matter. I should like to read a copy of a letter sent to the councils, including Marion Council. It is dated March 27, 1958, and reads as follows:—
Dear Sir,

My committee has had referred to it by the Metropolitan Drainage Works Investigation Act, 1947, the question of proposed works for the drainage of floodwaters in the south-western suburbs and the committee has opened an inquiry. The committee invites your council to submit evidence on the proposal and in order that it may be in a position to do so I forward under separate cover the report of the Marion and Brighton Storm Water Drainage Committee together with the report of the technical sub-committee which fully sets out the scope of the proposed works.

That was six months ago. The letter continues:—

I should be glad if you would advise me as early as possible after your council has studied the reports when representatives of the council would be ready to tender evidence to the committee.

Yours faithfully,
(Sgd.) H. H. SHANNON.

It is beyond me why any councillor should try to mislead the council and the ratepayers. Any delay is due mainly to the inaction of the Marion Council which knows more about it and is more concerned than any other council. It has fallen down on the job and the ratepayers should know about it. I resent any complaint made, because it is untrue. I am surprised that any responsible councillor should know no more about the business of the council than this gentleman appears to know. The committee recognizes that it has a difficult job. It desires to do all it possibly can to satisfy everybody, but it will be difficult.

The Hon. Sir Frank Perry—How many councils have given evidence already?

The Hon. F. J. CONDON—I think five. Eight are concerned, and the Marion and Mitcham Councils have yet to give evidence. We are entitled to co-operation in this matter and not have innocent persons blamed because of the inactivity of somebody else.

I come to what I consider an important matter to which I have referred in this Council previously. It relates to unemployment. According to a statement by the Chief Inspector of Factories the number of employees in 27 factories has decreased by 2,750. Unless there is an agitation for reasonable consideration, we shall get nowhere.

I am particularly concerned with our export trade, and I have in mind the Wheat Stabilization Bill which honourable members will have before them shortly. The tendency has been for the manufacturer of wheat products not to get much consideration. I plead with the Government to use its influence to see that the flour industry receives support. Throughout Australia this industry has lost 33 per cent of its employees. During the last nine months compared with a similar period last year the trade has fallen from 451,000 tons to 220,000 tons.

No doubt honourable members realize the importance of this industry to the State. In South Australia we would have been in an even worse position had there not been a drought in New South Wales last year. Recently State Ministers of Agriculture met on two occasions under the chairmanship of the Federal Minister for Primary Industry and decided on a home consumption price for wheat to apply to wheat milled in Australia. On several occasions Mr. Edmonds has asked me in this House what was my solution of the problem. I give it for what it is worth. First, we should get other countries to withdraw their subsidies on export flour; secondly, we should grant a subsidy to protect the flour-milling industry the same as we do with other commodities. We have done it for the farming community and in relation to butter. Last July the price of butter was increased by 2d. a lb. and already a subsidy of £13,500,000 is being paid annually to the dairying industry. My third suggestion for a solution of our problem is that we sell to the Australian miller wheat at the same price as is paid overseas for wheat milled for export flour. If my friend says that he cannot accept my first suggestion, why not consider the second and third?

No-one desires to help the dairying industry more than I do and that is proved by the support I have given to legislation introduced in this House. Why not give the same support to other manufacturing industries? According to a statement by the Federal Minister for Primary Industry, the dairying industry is to receive another £2,000,000 as a result of tax-

payers paying an additional 2d. a lb. for butter.

The Hon. E. Anthoney—The South Australian Government cannot subsidize the industry.

The Hon. F. J. CONDON—The honourable member has always supported me in my appeal for the margarine industry, and I hope he will do so again. Why not give the manufacturers a go? If they were big men the present position would not be tolerated, but because they are small men and cannot speak up for themselves they do not receive much consideration. Two years ago we passed a Bill granting a small increase in the margarine quota, but we were told that the quota could not be increased further without the consent of the Ministers of Agriculture of the various States. Actually the position is worse than previously and in effect we say to the manufacturers, "You can work your plant only one month out of three." Can any honourable member tell me whether we do that with other industries? Talk about a go-slow policy.

The Hon. L. H. Densley—Do we really say that?

The Hon. F. J. CONDON—Yes, and actions have proved it. When it was suggested that the area sown to wheat should be reduced, not one honourable member here supported it, but said they were opposed to limited production. Why talk about our exports when we are directed to manufacture only a certain tonnage of margarine? Can any honourable member tell me of any other industry where such an unjust imposition is inflicted? Ministers of Agriculture in South Australia in recent years have been misled. The figures I will submit are not mine, but those given by the Minister for Primary Industry in the Federal Parliament in reply to a question. Since 1951 the manufacture of table margarine in Australia has increased by 12,549 tons, whereas the quota in South Australia has been increased by only 216 tons. Moreover, since 1956 the increase here has been nil while the increase in the remainder of the Commonwealth has been 4,510 tons.

The Hon. E. Anthoney—How is the demand?

The Hon. F. J. CONDON—The demand exists, but it cannot be met. The local manufacturers have increased their capital and put in new and improved machinery, but it is lying idle for much of the time, and if members are prepared to stand for that I am much surprised. Are not the poorer people in our community entitled to consideration? Are they

not entitled to purchase margarine if they so desire? Probably every member in this Council is in a position to purchase butter but thousands of our citizens are not, so why are they so unfairly treated?

The Hon. S. C. Bevan—The increased population alone warrants an increased quota.

The Hon. Sir Frank Perry—Is the honourable member forecasting a Bill on this matter?

The Hon. F. J. CONDON—I am trying to impress on the Government the fact that it should do something. It increased the quota two years ago on the basis—so it said—of increased population, but when I introduced a Bill several years ago the Government would agree to an increase of only 50 per cent of what I proposed and I was compelled to take what was offered, although it was insufficient. I am not prepared to take this matter lying down and I ask the Government, for the reasons I have given this afternoon, to consider favourably my representations on behalf of the industry. The demand for margarine exists but the people, because of legislation we have passed, cannot purchase it. If I had my way I would repeal the Act and let everyone have a free go.

The Hon. Sir Lyell McEwin—I have often heard the honourable member advocate agreements. Does he still believe in them?

The Hon. F. J. CONDON—I believe in agreements just as much as the Minister, but if he can tell me why his Government allows agreements to be broken in the way I have stated I will listen to him. Why are the other States allowed to manufacture increased quantities to the extent that I have shown. The Government is not prepared to repeal the Act, so I think it should increase the quota so as to give the people of South Australia the same treatment as is given those in other States.

The Hon. N. L. Jude—We have to think about primary producers, too.

The Hon. F. J. CONDON—We are always thinking about them, but unfortunately it is left to me and my colleagues to do something on behalf of the manufacturers.

The Hon. Sir Frank Perry—Not only honourable members opposite.

The Hon. F. J. CONDON—I thank my friend for the support he has given me, but can anybody deny that a good case can be put up on behalf of the milling industry. In 1952, 2,335,000 tons of flour, bran and pollard was manufactured in Australia, of which 868,000 tons was exported. This trade was built up by private enterprise without one pennyworth

of Government assistance. Now, however, they are losing that trade because of unfair methods and it is time that somebody did something about it. We see men who have worked in the industry for 20 or 25 years now compelled to look elsewhere for work they are not fitted to do, so surely it is time to say something.

I am pleased to see that some action is being taken. The Federal Minister for Primary Industry, Hon. William McMahon, last Tuesday introduced two Bills into the House of Representatives—the Wheat Stabilization Bill and the Wheat Export Bill. In his second reading speeches he said agreements had been entered into with the United Kingdom to supply annually 28,000,000 bushels of wheat and flour. Our trade with the United Kingdom has fallen off considerably in the last four or five years, but we would have been supplying considerable quantities in that time if Great Britain had joined in the International Wheat Agreement. It did not do so merely because the Australian farmer was demanding five pence a bushel above the fixed price. We could have sold much wheat to Britain for 18s. a bushel, but in the end were compelled to accept only 14s. and less.

The Hon. E. Anthoney—You suggest that the farmers are a bit too grasping?

The Hon. F. J. CONDON—That is the whole trouble and it is useless being one-eyed about it. Everyone is aware of the importance of the producer, but the manufacturing side has to be considered also. The Federal Minister further said that Malaya had agreed to assure Australia the opportunity to supply at least 18,000 tons of flour and 14,000 tons of wheat in each year of the agreement, and we may supply 11,000 tons in the remaining months of this year and 100,000 tons in 1959 and 1960.

The Hon. E. Anthoney—That ought to help.

The Hon. F. J. CONDON—Yes, but we have heard nothing about it here yet. However, it is a start, and we are hopeful. Why are we getting this consideration? It is simply because other producers are finding themselves in the same position, and the wool, butter and other producers are up against it today. Consequently, pressure is being placed upon the Federal Government to do something to aid Australian exports. I doubt whether much would have been done but for the fact that these industries are beginning to find themselves in difficulties. The agreements I have mentioned are subject to arrangements regarding prices. I asked a question on notice as to the price to be paid for wheat purchased for

milling for export but no-one could tell me. I do not think that to take the New Zealand price is a fair thing because New Zealand needs our wheat. Some clause should be written into the Wheat Stabilization Bill to protect the manufacturer in the same way as the wheat farmer has been protected.

The Hon. E. Anthoney—Don't you think the manufacturer is able to look after himself?

The Hon. F. J. CONDON—He has been doing it since before you and I were born, but how far has the flour miller got? At one time there were 156 flour mills throughout the Commonwealth. How many are there today? The miller's trade has been interfered with by unfair tactics; Germany and France are paying £4 a ton subsidy on their export flour, so what chance has Australia when the miller is compelled to pay more for his wheat than he can secure for his product overseas. Therefore, to say he can look after himself is all moonshine. He is not asking for subsidies or Government help. All he wants is fair treatment.

The Hon. E. Anthoney—This is all the result of so-called orderly marketing.

The Hon. F. J. CONDON—We passed the Wheat Stabilization Act four years ago, but do not be surprised if I oppose the Bill when it comes before us again. I want to be sure that the manufacturer is protected before I will support it, because I believe that an industry which was the largest exporter of flour in the world prior to the war, and one which has never had any industrial trouble, I am proud to say, is worth fighting for. Throughout all our times of trouble and difficulties we have always been able to keep the wheels of industry turning, and that should not be overlooked.

I turn now to some of the items in the Bill before us. It is a question of priorities. We may have our own opinions as to what should have first priority. Some of my remarks will not meet with the approval of honourable members but nevertheless I shall make them. I believe that our No. 1 priority is water, No. 2 housing and No. 3 hospitals. One might almost say that those three are on an equal footing. The Government has placed on the Estimates the sum of £100,000 to build a bridge at Blanchetown, but I consider that housing should have priority. Although I appreciate what the Government and the Housing Trust have been able to do in the past few years, I say that the money would be better spent on building more houses than on building a bridge at Blanchetown, although

the bridge would mean a great deal to the community in the vicinity.

The Hon. C. R. Story—Do not you believe in decentralization?

The Hon. F. J. CONDON—I believe that there is a wonderful road north of the river through Morgan.

The Hon. L. H. Densley—Did you not support the Committee that recommended the bridge?

The Hon. F. J. CONDON—Yes, but because of the two punts across the river and the north of the river road, I think that is something that could wait for a while. Other things have waited for a long time.

The Hon. S. C. Bevan—They will probably want another bridge at Kingston.

The Hon. F. J. CONDON—Probably. Priority should be given to housing instead of a bridge at Blanchetown. People without homes are entitled to have money spent by the State on houses rather than on a bridge at Blanchetown. If all the projects on the Loan Estimates were proceeded with, over £50,000,000 instead of the £28,000,000 would be needed. It is all very well to say, "We are going to spend this money," but you cannot do it. Therefore, you have to do the work by priority.

The Hon. E. Anthoney—Most of the money voted last year was spent.

The Hon. F. J. CONDON—But many works due to start last year were not started. They could not be done for only £28,000,000. Next year the same thing will occur. I shall deal directly with some of the items that should be given preference. I am not objecting to any recommendation: I am speaking of priority.

Expenditure on education is £8,873,000 from revenue and just under £2,000,000 from loan, making a total expenditure of nearly £11,000,000, to which I do not object. The cost per pupil in 1957 was £42 4s. 7d. in the primary schools, £62 14s. in the high schools. It was £72 in area schools, £86 in area high schools, and £87 in boys' and girls' technical schools. I am not objecting to that, for costs have risen. In this connection the State owes a great deal to private teaching institutions. Many have gone from our private schools to a university. Their early education has cost the State nothing but has cost the parents much money and many sacrifices. It would be reasonable for private schools to receive some State assistance. What would it cost the State today if private schools closed? Much more than £10,000,000 a year, and the Government should consider this. We are all

citizens of the Commonwealth, but citizens in some other States receive more consideration in this respect than we do here. We pride ourselves on being an outstanding State, but I cannot be convinced of that.

Under "Loans to Producers" the fruit cannery at Berri will be a great acquisition to this State. The Government is well advised to advance that money, because this will become a very important industry. I note that £100,000 is proposed for advances to settlers.

The amount proposed for irrigation and reclamation of swamp lands is £200,000, while £20,000 is to be provided for a drainage scheme at Cooltong. I regret that it is necessary after only nine short years to spend this money because of seepage. One would have thought when these fruit vines were planted and this land was brought under production that we would not be troubled with seepage in only nine years; yet today we are faced with that problem, which will occur again elsewhere. It is to be regretted that something cannot be done to obviate the spending of this money. I realize that it has to be done to protect the present holders of these lands, the fruitgrowers. I hope that this money will be spent to advantage. I agree with the action of the Government in trying to prevent further seepage and restore this land to better condition.

Two departments—the Railways Department and the Harbors Board—are adversely affected because trade has fallen off considerably because of road transport. It is questionable whether we should call a halt in respect of our policy because we may not have the tonnage to handle that we have had in the past. In this respect an amount has been placed on the Estimates for the construction of North Parade Wharf, which is long overdue. It should have been built years ago, for it has been in its present condition for a long time. Two years ago the proposal concerning the new Jervois bridge was referred to the Public Works Committee. Both the Harbors Board and the Highways Department suggested a site at Dale Street, away from the site of the existing bridge. The committee investigated the matter and the estimated cost was £595,000 plus the cost of acquisition, which would probably have been £100,000. So we decided to recommend a bridge on the existing site at a cost of £321,000. Considerable evidence was taken and the Government was saved £200,000. That was for a closed bridge. The matter was referred back to the committee for an opening bridge, which would cost much more. Here was a committee trying to save the Government money.

The Hon. E. Anthoney—That is evidence that somebody does not know his own mind.

The Hon. F. J. CONDON—I can tell you a few things about that, too. Some years ago there arose the question of constructing a bridge at Birkenhead. The committee recommended its construction at Commercial Road, at the end of the Port Road. The recommendation was made, and then what happened? The same thing as has happened today.

The Hon. N. L. Jude—Could not this bridge wait until houses are built?

The Hon. F. J. CONDON—Probably, although it has been said that the matter is urgent. In my opinion the Government made a mistake in referring it back to the committee when a satisfactory bridge could have been provided for £200,000 less. And that is not the only occasion something like this has happened.

The Hon. E. Anthoney—Would the first bridge suggested have been satisfactory?

The Hon. F. J. CONDON—Yes. At present at Port Adelaide we have traffic congestion at St. Vincent and Nile Streets, and if the first bridge recommended had been constructed there would not have been this congestion. I submitted a dissenting report on the alteration of the site. After the committee has recommended a project, too often the matter is referred back for further consideration. The committee has in mind the protection of the Government from spending unnecessarily, but it does not receive much support for its attitude. We should have in mind the effect on the Harbors Board and the Railways Department of the introduction of bulk handling of grain at Wallaroo. There will be no extra returns to these departments. At the moment the committee is considering an oil berth at Port Lincoln, on which there is much difference of opinion. As to the proposed construction of a bridge at Swan Reach, costs put this site out of the running. The Commissioner of Highways said it would cost more than £1,000,000 to build the approaches, and the State is not in a position to pay such an amount.

The Hon. E. Anthoney—What has happened to unexpended Loan money?

The Hon. F. J. CONDON—It has all been spent. If half the works appearing on the Loan Estimates were left off, the position would be more satisfactory. The placing of a long list of works on the Loan Estimates is only misleading the public. For instance, it was suggested that a prison farm be erected at Loveday, but certain people objected to having it near their place of residence; then it was proposed it should be at Cadell. Later, the Government came along with another scheme to enlarge

the prison farm, and instead of the cost being about £88,000 or £98,000 it was to be £351,000. Where is all this money to come from? We should take stock of all these things. We must get the money first. We may get sufficient money to undertake a quarter of the work appearing on the Loan Estimates, and if we completed those projects we would be doing a good job. We have spent much money on our railways to get up-to-date rolling stock, but are they getting any more passengers?

The Hon. N. L. Jude—Yes.

The Hon. F. J. CONDON—Where?

The Hon. N. L. Jude—From Port Adelaide.

The Hon. F. J. CONDON—No, we are not. I often travel on the train and there are only about a dozen people on it. We are not getting the results from our railway administration because the public are not railway-minded. When an attempt is made to close a line, strong protests are received from local people who never use it. That position applied in connection with the Sedan railway. People will come along when a railway is suggested and say they will support it. That applied with the Willunga line. Actually, it was almost entirely used to carry children to school. Their parents rode past in motor cars and waved good-bye to them. We shall probably be faced with the closing of more of our railways. People should be more railway-minded.

The Hon. Sir Arthur Rymill—In the interests of passenger transport or goods?

The Hon. F. J. CONDON—Both. Some people use the railways only for the transport of certain goods because they get a lower rate, but they will not use them for anything else. The Public Works Standing Committee has been compelled to issue a number of interim reports because of the many works referred to it since May 22 last so that they could be included in the Loan Estimates. It is a mistake for submissions to be delayed by the various departments. They should not leave it to the last couple of months before the Estimates are submitted. It means that the committee cannot bring up a final report because of the time limit, and therefore it must submit an interim report early and the final report later. Because of the many projects submitted to the committee in the last 12 months it has been impossible for its secretary to prepare these numerous reports. I do not know how he stands up to it. We must be thankful for such a good secretary, and that has also been our experience with past secretaries.

During the 12 months ended August 16, 25 projects were referred to the committee,

including the relaying of sewers at Hart Street, Port Adelaide. This was necessary because the pipes had become corroded after many years' service. Then we had the proposed new Jervois Bridge referred back to the committee. Among other works were a nurses' home at the Northfield Ward of the Royal Adelaide Hospital and an enlargement of the Elizabeth water supply. Who would have thought that the latter would be necessary yet? The size of the pipes will have to be increased. Houses have sprung up like mushrooms at Elizabeth, and therefore it will be necessary to provide additional facilities, including a primary school at Elizabeth East. The proposed technical high school at Whyalla is an important project and the time may not be far distant when additional schools will be necessary. Additional accommodation is to be provided at the Royal Adelaide Hospital, which is out of date. It will be necessary to demolish some older buildings that have given good service over the years. It is proposed to construct five upper floors at the radiotherapy and women's hospital block. A long overdue want will be supplied when the first portion of the new Royal Adelaide Hospital is completed. A great deal of work has to be done; a new casualty block is to be erected, and all this will be in addition to the Queen Elizabeth Hospital, which will be opened at the end of this year or early next. Despite all this increased accommodation there is a strong agitation for hospitals in the northern and southern parts of the city, and no doubt the time is not far distant when, with our increased population, it will be necessary to construct more hospitals to serve them.

In the field of education it is remarkable to note, in many cases, that a new school is scarcely completed before it is over-crowded. However, an effort is being made to provide for meeting the requirements for some time ahead, and recommendations have been made in respect of the Mount Gambier primary school and primary and infant schools at Mount Gambier North, the Gilles Plains boys technical high school, Gilles Plains girls technical high school, LeFevre Peninsula boys technical high school, Elizabeth girls technical high school and Port Adelaide girls technical high school, and Fulham Gardens, Elizabeth Park and Mitchell Park, Christies Beach, Netley and Warradale primary schools.

The committee presented an interim report in respect of increased accommodation for the Supreme Court. It was first proposed to build two additional floors, but subsequently the matter was re-submitted and the committee has

now recommended that three extra floors be built. I believe that it is also necessary to spend some money on other court buildings that are in very poor condition.

The Hon. S. C. Bevan—Has the honourable member been inside the Industrial Court building?

The Hon. F. J. CONDON—It is proposed to remove that, and it has been suggested that another Supreme Court be built later on the site of the old Glenelg line railway station.

The Hon. E. Anthoney—Do all these new school buildings differ much?

The Hon. F. J. CONDON—No. We are getting down to a standard now, and consequently saving a great deal of money in the preparation of plans and so forth. The Harbors Board has proposed the construction of a new oil berth at Port Lincoln because it considers it very dangerous for oil tankers to lie alongside the existing jetty, which is used for loading and discharging general cargo. The proposal is to build a T-head on the Point Kirton jetty, and, of course, this again raises the question of cost. All such things have to be carefully considered.

The Hon. E. Anthoney—The Public Works Committee always does that.

The Hon. F. J. CONDON—Exactly. At first glance it is difficult to decide whether or not a thing is justified. For instance, Port Lincoln probably does not get more than nine tankers a year, which is the equivalent of about one every six weeks. Consequently we have to be satisfied that the expenditure is warranted.

The Hon. J. L. S. Bice—A certain amount of risk is associated with the existing set-up.

The Hon. F. J. CONDON—Without going fully into the pros and cons one does not know what should be done. It is all very well to mention the estimated cost of all these public works, but it is the actual cost that counts. For instance, I should be very surprised if the Queen Elizabeth Hospital and the Mannum-Adelaide pipeline did not cost a great deal more than estimated. I think the estimate for the pipeline was about £4,000,000, but if I were to say that it cost three times that amount I do not think I should be far out. I am not complaining, but simply saying that the money we vote under this Bill will be insufficient and that further money will have to be found later.

The construction of two additional reservoirs on the Rivers Onkaparinga and Torrens is being investigated by the department, which considers that the work is urgent. I remember that when Millbrook reservoir was constructed the general opinion was that we would not need another reservoir for 30 years, but only a few

years afterwards it was necessary to build Mount Bold reservoir.

The committee has presented reports on bulk handling at Thevenard and Wallaroo. At Thevenard the first boat is shortly to be loaded and it will be interesting to know what the cost of the installation proved to be and whether those responsible have achieved what they set out to do; I have my doubts. The bulk handling facilities at Port Lincoln are under construction. On a visit there about a fortnight ago I formed the opinion that a fair amount of money had been spent unjustifiably.

Consideration of the proposed new Royal Adelaide Hospital casualty block has been deferred in the light of the overall development of the Royal Adelaide site. The committee has not yet commenced investigations regarding proposed fishing boat havens at Bosanquet Bay and Port Hughes, but I can assure members that they do not rate as first priority with me. Ten years ago the committee recommended the construction of the South Para reservoir for the purpose of augmenting the metropolitan water supply. The official opening will take place next month but I should like members to compare the estimated cost and the actual cost.

Submissions have been made for improvements to the harbour facilities at Port Pirie, and the committee has already recommended the widening of the swinging basin and the deepening and extension of the channel. A further proposal is the reconstruction of Barrier and Queens Wharves, but that hinges on what happens to the Barrier ore trade. It is understood that the companies concerned are considering the establishment of works at Cockle Creek in New South Wales, and if this results in the shipment of ore by rail to those works it will obviously affect the ore traffic to Port Pirie, so this aspect has to be carefully watched to see whether the proposed work is justified.

A recommendation was made in August, 1956, regarding the Glenelg sewage treatment works. Part of the project was to discharge the sludge into the sea some distance off shore.

The Hon. E. Anthoney—How did you get over that difficulty?

The Hon. F. J. CONDON—Tests are still going on to see whether sludge deposited in the manner proposed will interfere with our beaches. A few years ago the committee visited Millicent to investigate a water supply for that town. However, the people did not seem to know exactly what they wanted and since then, with the expansion of the town, there have been suggestions for increased facilities, and

it will therefore be necessary for the department to resubmit the case. The committee has reported on four of the 20 projects embraced in the Harbors Board comprehensive scheme for the development of Port Adelaide designed to meet the expansion of the next 50 years. Proposals in connection with sewerage schemes for Bordertown, Murray Bridge, Balaklava, and Whyalla are still under consideration. Gawler will be included in a scheme which has been approved for Elizabeth. Consideration of the electrification of the metropolitan and suburban rail services has not been proceeded with.

The Hon. E. ANTHONY—Isn't that a dead letter?

The Hon. F. J. CONDON—No. It must remain before the committee until it is withdrawn. Two reports have been presented in connection with water and sewerage schemes for Gawler, Salisbury and a new town north of Salisbury, but evidence has yet to be taken regarding the laying of sewers in the town of Gawler. I trust that the Government will have some regard to what I have brought forward this afternoon. It is not a question of unreasonable criticism. If it is criticism at all, I hope it will be constructive and that the Government will at least consider what I have said about looking at things from the point of view of the public.

The Hon. E. ANTHONY (Central No. 2)—When Polonius was giving humble advice to his son before he embarked for a foreign country, that he should "neither a borrower nor a lender be," he could not have had in mind modern Governments, because they do a lot of both. They have to, of course, in a young expanding country with an immigration policy. Money has to be provided for houses, schools hospitals, etc., which makes it obligatory on any Government to spend and borrow money. It cannot use its own money because it has not enough. Judging by what the Leader of the Opposition has told us this afternoon, we can have very little confidence in our Estimates because, although we have much on paper, it appears that not half of the works mentioned will be carried out. In that case, why put them on the Loan Estimates?

The Hon. Sir Frank Perry—If they are on the Loan Estimates they will be carried out.

The Hon. E. ANTHONY—The honourable Leader was referring to works on the Loan Estimates for which he did not think we would have enough money. He also said that, even if we had the money, we could not carry them out,

so we are between the devil and the deep sea. However, we spent nearly all the Loan money borrowed last year. I agree with the honourable member that we should sit up and take notice of where this public expenditure is getting us.

Established under the Financial Agreement Act of 1928 we have a sinking fund that provides for the liquidation of our State debts over a period. It is remarkable how the State indebtedness is rising and how small is the liquidation of these debts. Between 1928 and 1957 we set aside about £31,000,000 for our sinking fund, whereas we are about to borrow nearly that amount this year. It is easy to realize that within a decade or two we shall be up for a considerable sum. The State indebtedness today is £285,508,384.

The Hon. S. C. Bevan—Posterity will have to see about that.

The Hon. E. ANTHONY—Yes; they will share in it, which is only right. These loans are not embarked upon without repayment liability. Interest has to be paid, and the interest on the amount borrowed between 1953 and 1957 (£121,676,000) is £5,250,000. When I entered Parliament some years ago, our Budget was about £5,000,000, but today that is the amount of interest on our loans for a five year period. These points should be noted.

As our loan indebtedness and the interest rates increase, the greater becomes the liability on the taxpayers. One is struck with the rapid growth of the State, which is all to the good. We like progress and are getting it, but we must be prepared to spend money on education, roads and schools. For instance, our schools last year cost us about £9,000,000. We have to provide for future scholars. The schools' population has increased greatly, and will increase in the next 10 years, so we are told, to nearly double; so the State will have to provide money for extra accommodation and equipment. However, it is not only a matter of schools and equipment: we owe a great debt to the married women who have come back into the department and are helping it in its troubles. Teachers were not available and, had it not been for these married women volunteering to return to the department, the position would have been much worse than it is.

I am sorry that the children of this generation will have to go through schools with only partially trained staffs. Many teachers today (whom we are glad to get) are more or less untrained. A teacher cannot be trained in 12 months; it takes four or five years to go through a teaching course and gain experience, as is the

case in any profession. This state of affairs will affect our children, who will be the losers, but I do not know how it can be avoided. The solution is to get sufficient trainees through our colleges to fill the gap. I do not criticize the Minister of Education, who must be given full credit for doing his best to find teachers, schools and equipment to carry us over this important period of rapid expansion. He has a big job on hand and is standing up to it well.

I am pleased that under the Loan Estimates more money is being made available for houses, for our community must be properly housed. Three essentials are that the Government should keep the people healthy, house the people, and make adequate provision for education. The Government is doing a good job in those directions and is increasing the maximum loan available to an applicant for building a home. For too long the maximum loan was too little. Further, very few banks would help a man build his home, but today, the Government has stepped in and is helping home seekers.

The Hon. Sir Frank Perry—Many societies besides the Government will help.

The Hon. E. ANTHONY—Yes: building and insurance societies and the Public Service are all helping. They have done a wonderful job and made a great contribution to the building of houses. I disagree with the Government in its policy of advances for building new homes but not for buying old houses. The latter is a mistake; the Government is right off the beam. Many people have families that have grown up and left the old home and some elderly couples are left with homes far too big for them. The young people have to rent or lease homes, for they have not sufficient cash to allow them to embark upon a new home. If the Government could lend money for the purchase of old homes, the old people would gladly leave them and purchase smaller places much more suitable for them. That would increase and not decrease the number of houses.

It is a good thing that the Government is encouraging afforestation, which always has been, and still is, a favourite subject of mine. I remember saying in another place years ago that one day it would pay off the national debt. It has not done that but is making a valuable contribution towards it. The accumulated surplus of the Forestry Department over the years is substantial. Out of it £500,000 has been paid into consolidated revenue. Forestry is a paying concern, a fine

industry, and deserves encouragement from the Government. I hope the Government will proceed with the south-western drainage scheme as early as possible. It is a national matter. I support the Estimates and trust that every possible attention will be given to the expenditure of the money, that the work will be faithfully carried out, and that the State will continue prosperously.

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

MINING (PETROLEUM) ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 2. Page 607.)

The Hon. L. H. DENSLEY (Southern)—This is one of the most important Bills placed before us this session. The Minister of Mines gave a full explanation of the clauses, which have been devised mainly to assist the Santos and Delhi-Australian companies. It is pleasing to know that the prospects of the Santos Company of striking oil are so bright that our American friends are prepared to assist both with a considerable amount of capital and technical advice. I hope it will prove a satisfactory investment. I know of no greater single factor in the building up of our economy during the next decade and the advancement of Australia, and particularly of South Australia, than the discovery of oil in substantial supply, unless it is the maintenance in this State of the very successful and progressive administration of our Premier, the Honourable Sir Thomas Playford, and his very efficient Cabinet. The progress made in this State in every phase of industry during the last few years has been phenomenal, and I hope we may see a further advance in the very successful record of the Department of Mines as a result of its crusade for oil.

The Bill makes amendments that will provide opportunities for bringing into effect a development we shall all be glad to see. Clauses 3, 4 and 5 provide the means for safeguarding the Santos leases during the transition necessary to bring into operation the checker-board system of leases desired by the two companies. The clauses have been fully explained by the Minister, and when considered with the Act his explanation makes the position clearer and enables members to understand the position. I feel that many of these clauses will have the effect of making the tenure of mining for petroleum, and of mining generally, more safe and certain. That will apply not only to the

Santos and Delhi-Australian companies, but to other companies that desire to develop mining leases. Clause 7 will enable different licences to be held over the same land. This will be of advantage to companies in enabling them to carry out their work in good time.

Clause 8 provides for variations and modifications of conditions and I draw attention to the power conferred on the Minister with regard to decisions on such matters. Nearly all the conditions come under his control, and this clause will enable him to vary conditions. That is desirable. Clause 8 amends section 12 of the Act relating to the terms of a licence by providing for the inclusion of the words "authorized or permitted by this Act or." Section 12 includes the words—

prescribed by regulations under this Act as are appropriate, subject to such modifications and exclusions as the Minister thinks fit and such additional clauses covering ancillary matters as the Minister thinks necessary.

In paragraph (b) of clause 8 are included the words:—

by adding after "clauses" in the fourth line "conferring rights or imposing duties on the licensee or the Minister or."

These provisions make the position more satisfactory and substantial from the point of view of tenure, and I think we can heartily support them. The general tenor of the Bill is to give better security of tenure. This applies particularly under clauses 9, 10 and 11. Exploration licences shall be on such terms as the Minister fixes. Under clause 9 the period of an oil exploration licence and renewal is extended from a term not exceeding two years to one of five years with right of renewal. Members will be pleased to support such an amendment. Clause 11 amends section 18 of the Act by providing that the holder of an oil exploration licence may have a preferential right not only to an oil prospecting licence over any land comprised in the oil exploration licence, but also to a mining licence. I believe the Bill is in the interests of further development and bringing to a successful conclusion the search for oil by the Santos and the Delhi-Australian companies.

Clause 18 amends section 38 and facilitates the surrender of a licence or portion of a licence. It is interesting to note that provision is made relating to the obligations of companies to their employees and as to the filling in of wells and attending to other things the Minister may consider desirable.

Clause 19 is important as it relates to the renewal of licences. The powers of the Minister are modified in certain circumstances, and I

draw attention to proposed new subsection (2) relating to the powers of the Minister on an application for renewal of a licence. Where a licensee applies for a renewal of an oil exploration licence or oil prospecting licence the Minister may, instead of renewing either licence, require the licensee to apply for an oil prospecting licence or an oil mining licence, as the case may be. New subsection (2) states:—

The Minister on the recommendation of the Director of Mines may by a covenant in any licence undertake that the powers conferred on him by subsection (1) of this section will not be used on any renewal of the licence granted during a period specified in the covenant.

That seems to be a departure from the remainder of the Bill as it takes from the Minister in some respects the initiative in respect of this provision. Probably the Minister will be able to tell us why this should be subject to the control of the Director of Mines. It is not desirable that the Director should have to make a recommendation before the Minister can carry it into effect. That is how I interpret it, and I should like to know whether it is correct or not.

Clause 20 relates to mortgages. This is of importance to companies in raising mortgages, particularly when compared with the previous provision under which permission was not so easily obtained. It will now be more easy for them to make arrangements for raising mortgages. As the Minister said, this is particularly desirable should oil be found, because heavy expenditure will be involved. Many of the amendments provide for concessions in tenure which will be available not only to the Santos and Delhi-Australian companies, but also to other companies which are prepared to make finance available in searching for oil in this State. I have much pleasure in supporting the second reading.

The Hon. Sir FRANK PERRY (Central No. 2)—This is a very important Bill and I am pleased it has been introduced. The measure introduced by the present Minister of Mines in 1940 clearly provided for the control of the State's natural resources and their production and development. Whilst in 1940 the possibility of discovering oil within our boundaries was remote, the Minister in introducing that legislation showed foresight in his contemplation of the future. Oil has not been discovered since then but leases have been taken out. Unfortunately, some have been abandoned, but generally speaking there has been an oil search boom in Australia and much money has been expended by the general public and overseas

interests in attempts to find oil. The following article appears in the *Bulletin* of September 10, 1958:—

Wapet (in which Ampol Exploration has a 20 per cent interest) last week reviewed its five years' operations. Since 1953, 56 wells have been drilled and two are now drilling and thousands of square miles have been covered by oil-exploration survey-crews by foot, vehicles, boats and aircrafts. They have ranged from the south-west to the sand-dunes of the Canning Desert. Cost to date of this huge operation has risen to £14,500,000.

The Oil Search Company, which is bigger than the company with which Ampol is associated, has been operating much longer and has spent more but has not yet discovered oil in payable quantities. This indicates the position concerning the search for oil in Australia. It is interesting to refer to the position in America and I quote the following article from the *New York Times* of July 21, 1958:—

Barely three years ago the Southwest's Four Corners area was a 15,000 square miles wasteland inhabited by Indians, mostly Navajo, whose sheep battled the jack-rabbits for meagre forage. Last week the mesa-dotted region, where the boundaries of Utah, New Mexico, Arizona and Colorado meet, was the hottest petroleum area in the U.S. Each day El Paso Natural Gas Company piped more than 600 million cubic feet of natural gas to the Los Angeles market from 3,000 oil wells; other companies piped huge amounts to the Pacific north-west, Santa Fe, Albuquerque and Los Alamos. Oil company pipelines sent 120,000 barrels of oil daily to the West Coast and Texas Gulf refineries from 750 wells in the area. With great finds in San Juan and Paradox Basin, oil men counted 300 new gas wells put down in the first half of 1958. They expect another 300 before the year is out.

The costs involved in a search for oil are high, but the prize, when won, is of great value not only to the companies concerned in the discovery and production of oil, but to the general community in which it is found. The discovery of oils or minerals in the past has been largely the result of out-croppings in the case of minerals and seepage in the case of oil. That day is past. It is now necessary to use modern methods and geological and geophysical data are collated and are the basis on which drilling tests are made.

The Santos Company—originally titled South Australian Northern Territory Oil Search Company—was floated during the boom period. It is a company with South Australian directors and mainly South Australian shareholders. It has revealed wise judgment and acumen in its attempts to find oil and I give full credit to its directors who include Mr. John Bonython, Sir Henry Simpson Newland, Major-General Symes, and Mr. R. F. Bristowe. Its honorary

consultant is Sir Douglas Mawson and its geological consultants are Dr. M. F. Glaessner, Mr. R. C. Sprigg and Dr. R. O. Brunnenschweiler. The company was formed with the object of discovering oil in South Australia. It had no foreign backing. It secured leases in areas north of Port Augusta and began drilling, unfortunately unsuccessfully. However, it has been successful in obtaining the services of Dr. Levenson, a distinguished American geologist, who is world famous for his role in the discovery of oil on behalf of the French Government in the Sahara Desert. The company submitted to Dr. Levenson the opinions of its local consultants and he surveyed the position and recommended that the company test the artesian basin which is situated largely in South Australia. Without his advice and without his reputation it is doubtful whether anything would have been done, but I understand he has been able to persuade an American company of good standing—Delhi-Taylor Oil Corporation—to come here and survey the position and it is prepared to spend large sums in an attempt to discover oil. The Government should heed any request this company makes and any recommendations the Government introduces for consideration by Parliament should receive close attention. The amendments proposed enable the Government to grant certain concessions on what the 1940 Act envisaged. I think that is quite reasonable and that the facts of the case as now shown, and the areas to be dealt with, seem clearly to indicate that something different is warranted; the alterations are in the main, as I understand them, that the length of tenure which these companies are allotted for working these areas is extended from one year to five, with the right of a further renewal for five years provided the conditions have been complied with to the satisfaction of the Minister of Mines.

The other provision is the division of the area into a chess-board pattern. There again, this seems a very wise and sensible arrangement for the two companies to adopt, and I agree with the Government on this amendment of the Act. I think it has acted very wisely. There are other alterations, but as I understand the Bill, it grants these additional conditions only at the discretion of the Minister; it does not take away any of the State's security, or the benefits that will accrue to it if oil is eventually discovered. Therefore, I feel that the Bill can be safely supported and the best of good wishes offered to the companies concerned in their attempt to discover oil.

The question of mortgage may or may not arise. There should be no difficulty about raising capital in this country if oil is discovered, so I think that the mortgage conditions are not likely to be brought into effect, except, perhaps, as a very temporary provision. Therefore, I do not think this Council need be worried about giving the companies that authority.

What the discovery of oil can mean to the economy of a country is not, I think, fully realized here. When I visited Los Angeles and San Francisco last year I saw oil wells in gardens, in vegetable patches, almost in back yards, and what can be done with the by-products of oil and the cheap power resulting from its discovery is simply amazing. Every possible assistance should be given to those prepared to back their judgment with their time and money in the search for oil. I think oil is Australia's biggest overseas commitment, and if by any stroke of good fortune oil were discovered in the artesian basin it would be one of the greatest things that Australia, and particularly South Australia, has ever enjoyed. I congratulate the Minister, firstly, on his 1940 Act which envisaged the possibility of oil being discovered and which reserved to the State its control and the right to royalties. I congratulate the Government on the manner of its negotiations with the two companies concerned, and as the State's birth-right has been safeguarded I am sure that this Council and the people of South Australia can wish the companies the best of good fortune in a good and honest attempt to produce within our boundaries one of the greatest assets we could hope to have.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Grant of Licences."

The Hon. Sir LYELL McEWIN—In order to afford members an opportunity to study further the remaining clauses I move that progress be reported.

Progress reported; Committee to sit again.

COUNTRY HOUSING BILL.

Received from the House of Assembly and read a first time.

ROAD CHARGES (REFUNDS) BILL.

Received from the House of Assembly and read a first time.

FRUIT FLY (COMPENSATION) BILL.

Received from the House of Assembly and read a first time.

METROPOLITAN AND EXPORT ABAT-TOIRS ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

FIRE BRIGADES ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

WEIGHTS AND MEASURES ACT AMENDMENT BILL.

Received from the House of Assembly and read a first time.

SHEARERS ACCOMMODATION ACT AMENDMENT BILL.

In Committee.

(Continued from September 3. Page 663.)

Clause 3—"What is proper and sufficient accommodation."

The Hon. C. D. ROWE (Minister of Industry and Employment)—I move to strike out sub-clause (1) and insert in lieu thereof the following:—

(1) Paragraph I is amended by adding the following at the end thereof "Provided that in the case of a building erected after the date on which the Shearers Accommodation Act Amendment Act, 1958, comes into force the following conditions shall apply:—Not less than four hundred and eighty cubic feet of air space shall be allowed to each person sleeping in any room or compartment; in calculating air space pursuant to this paragraph, no allowance shall be made in respect of any air space at a greater height than eleven feet from the floor."

When we last considered this clause Mr. Melrose raised the point whether it was reasonable to increase the size allowed for sleeping quarters for each person from 300 cubic feet to 480 cubic feet. I have since ascertained that 480 cubic feet is the standard laid down for shearer's accommodation in, I think, all the other States. The increase to 480 cubic feet aims at uniformity between the States. In the original submissions made to me on behalf of the A.W.U. and the Stockowners' Association it was provided that this additional requirement of 480 cubic feet would apply to accommodation to be erected after the passing of the Bill. In the original recommendation the position was stated in these words:—

It is therefore desirable that section 6(2)(i) should be amended to read, "Not less than 480 cubic feet of air space after the first day of January, 1956, shall be allowed to each person sleeping in any room or compartment; in calculating air space pursuant to this paragraph, no allowance shall be made in respect of any air space at greater height than 11ft. from the floor."

The amendment I have on the file retains the 480 cubic feet but provides that it shall apply only to accommodation erected after the passing of the Bill. I find that that is exactly the recommendation that was made to me by the A.W.U. in the first place, but in the original drafting of the Bill it would have applied to any accommodation.

The Hon. S. C. Bevan—Why not make it apply to any building erected after the date stipulated?

The Hon. C. D. ROWE—They had in mind that it should apply from the date on which they anticipated that this Bill would become law; it should not be retrospective but should apply from the day the Bill was proclaimed. I do not think we are doing anything in violation of that by asking the House to accept this amendment.

The Hon. F. J. CONDON—I accept what the Minister has said. I should like progress to be reported so that I can have an opportunity of studying this further.

The Hon. C. D. ROWE—I appreciate that this is a new amendment and that this legislation involves an agreement between two parties. In the circumstances, I feel that the request is reasonable and, therefore, ask that progress be reported so that we can consider this matter again.

Progress reported; Committee to sit again.

BENEFIT ASSOCIATIONS BILL.

Adjourned debate on second reading.

(Continued from September 3. Page 663.)

The Hon. F. J. CONDON (Leader of the Opposition)—This legislation is required because of complaints about the operations of associations whose members do not receive certain benefits because the associations are not registered under the National Health Act. Some unregistered associations have been unable to meet claims and have got into financial difficulties. The State Government has not offered protection because it was left to the Federal Government to supervise this legislation, but the whole field of unregistered benefit societies has now been left to the States.

At present, as some societies operate in more than one State, we have no control and this makes things difficult. Many people have been misled as to the soundness of certain associations, most of which are companies that meet the expenses of members for medical treatment, dental treatment, maintenance in hospitals, cost of funerals, etc. Organizations already controlled under certain Acts are not within the scope of the Bill. The Friendly Societies

Act covers Friendly Societies and, as they are registered under the National Health Act, Commonwealth legislation applies to them. Life assurance companies and trade unions are also exempt. The associations to which this Bill will apply are at present not subject to any special control in their benefit dealings, which are conducted for private profit. The Government does not propose a system of licensing or registration but will require unregistered associations to file annual financial returns with the Public Actuary.

Clause 3 excludes from the Act any friendly society registered under the Friendly Societies Act, 1919-1956. The 1956 Friendly Societies Act repealed sections 7 and 7A of the principal Act. Section 3 of the 1956 Act deals with objects for which funds might be maintained; firstly, insuring a sum of money to be paid on the death of a member, or of the husband, widower, wife, widow or child of a member, or for defraying the expenses of burial of a member or the husband, widower, wife, widow or child of a member; secondly, for the relief or maintenance of members; thirdly, for assisting members in distressed circumstances; fourthly, for the endowment at any age of members, their wives or children; fifthly, for providing to members or their relatives medical treatment, comforts, medicines, etc. The Act of 1956 had a number of subsections on protection. Section 4 dealt with superannuation fund, section 5 with a small loan fund. Under section 6 societies may make general laws or rules.

Clause 4 of the Bill deals with interpretation; clause 5 compels every benefit association within three months to furnish returns; and clause 6 deals with investigations by the Public Actuary. The remaining clauses are protective.

This Bill has been introduced at the request of certain interested people and has been found necessary because of what has happened in the past. It will not apply to registered organizations but will give protection to members of other organizations. I have pleasure in supporting the second reading.

The Hon. E. ANTHONY (Central No. 2)—I support this measure and congratulate the Government on bringing it in. It is made desirable by the number of complaints received by the Government from people who have been contributors and are looking for benefits from these organizations. The National Health Act coming into operation at Canberra some time ago gave rise to many of these companies, all legitimately registered under the Companies Act—but that means nothing. They cannot provide for

dependants. They set out in their brochure what they can do. They cannot take advantage of the National Health Act, they cannot possibly give the benefits that a registered company can and, therefore, they default. Several of them have gone into liquidation.

This Bill is introduced to protect the public against that type of organization. There is no attempt to interfere with companies operating legitimately and properly. It excludes a number of organizations, trade unions and friendly societies covered by the National Health Act and other Acts and, therefore, *bona fide*. The Government has made a careful study of this. Protection is afforded the public in as much as the Public Actuary will have to call for reports every three months on the finances of the companies and determine whether they are sound, whether too much or too little is being paid in benefits, and recommend that they pay more or less. This is a good Bill.

The Hon. S. C. BEVAN (Central No. 1)—I, too, support this Bill and commend the Government for its introduction. I do not desire to delay its passage. The time is ripe for this legislation, which should become operative as soon as possible to protect the public against a practice that has grown up in this State in connection with what are known as hospital benefits or benefits generally.

My attention has been drawn to many cases where a number of age pensioners have been induced to contribute to a fund run by one of these pseudo-benefit organizations, only to find unfortunately, after they have been admitted to hospital and have made a claim upon the company, that no funds are available and they cannot do anything about the recovery of payments under a contract because of the circumstances of the set-up of the company itself. This has happened often.

I note that the interpretation is not confined only to medical benefits or hospitalization but extends to organizations for funeral benefits. These are set up and they have a contract. Perhaps this Bill will not, in effect, stop the practice that has been going on but I feel that, even if it does not, it will go far enough to make people think twice about what they have been doing. There is a clause in the contract that the company shall be responsible for burial expenses; it has various undertakers but, unfortunately, if someone contracts with an undertaker outside this particular organization, it then says, "You have broken your contract and so are not entitled

to any reimbursement under your contract with us." In a case of a person who dies, the next of kin, for instance, may not know anything about that contract or about any specific clause written into it, so he makes other arrangements. He engages a funeral director, pays the cost, and then applies to the company after he discovers there has been a funeral benefits contract. Then he is told that, as he engaged his own funeral director, who was not concerned with this company, he must pay his own expenses and there will be no reimbursement.

The Hon. Sir Frank Perry—What about the funeral benefits societies that are registered?

The Hon. S. C. BEVAN—The funeral benefits societies registered as such are exempt under this Bill. The honourable Minister himself could exempt an organization which he was satisfied was *bona fide* and whose financial position was such that the money was recoverable by law if it tried to do any of the things I have mentioned. I know of a specific case in which arrangements had been made with a funeral director for a funeral, but when the claim was submitted to the company the relatives were informed that this particular case did not come within the contract and therefore they were not entitled to payment. It is daylight robbery when such things happen. Another organization had a condition in its contract that a fee had to be paid weekly to meet the cost of the burial of the member or a member of his family. However over the years the fee was gradually increased. First it was 6d. a week, then 9d., later 1s., and still later 2s. a week. I consider this was a breach of the original contract, although I understand there was nothing legally binding. I understand the Bill deals with such matters and makes such organizations answerable for their actions. Any person finding himself in the position I have mentioned this afternoon will then have redress and undoubtedly will be able to recover something after contributing to such companies over a period of years. Any organization attempting to enter this field should be able to stand up to its obligations, and thus provide protection to the general public. I have much pleasure in supporting the Bill.

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

ADJOURNMENT.

At 5.11 p.m. the Council adjourned until Wednesday, September 24, at 2.15 p.m.