LEGISLATIVE COUNCIL.

Wednesday, September 24, 1958.

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

SALISBURY COUNCIL BY-LAWS: STREET ALIGNMENT BUILDING LINE.

The Hon. E. ANTHONEY (Central No. 2) —I move—

That By-law No. 41 of the District Council of Salisbury for fixing the building alignment in certain streets, made on October 28, 1957, and laid on the Table of this Council on July 22, 1958, be disallowed.

I understand that the Attorney-General has a statement to make.

The Hon. C. D. ROWE (Attorney-General) It was suggested to me that I might give some careful consideration to the motion standing in the name of Mr. Anthoney, the chairman of the Subordinate Legislation Committee which proposes that certain regulations passed by various district councils be disallowed. I have done so and find that the ground for the proposed disallowance was that the rights under various regulations rely on administrative and not judicial decisions. In all there are eight sets of by-laws, six made under the Building Act and two under the Local Government Act. To understand and appreciate the position, we must consider what was the reason for establishing the Subordinate Legislation Committee, and in that connection I do not want to speak at length because I find that the history of the committee has been set out very well in a paper which was prepared by our Clerk, Mr. Ball, and which was delivered by the Hon. E. H. Edmonds before the Fourth Australian Area Conference of branches of the Commonwealth Parliamentary Association at Brisbane on May 7, 1957. This is to be found at pages 58, 59 and 60 and 61 of the report.

Prior to 1938, consideration had been given to the fact that each time Parliament opened numerous regulations and so forth were laid upon the Table and were not carefully considered by any person who was particularly responsible for doing so, and I think that the Liberal Party was a little concerned about that; in the beginning it appointed three of its own members whose responsibility it was to see that all such regulations were perused and considered. Subsequently, it was felt that what was everybody's business was nobody's business and so it was recommended that Standing Orders be enacted to create a Subordinate Legislation Committee and that that committee should have certain duties. These duties are set out in our Joint Standing Order No. 26, as follows:—

The committee shall with respect to any regulations consider—

(*a*) whether the regulations are in accord with the general objects of the Act, pursuant to which they are made;

(*b*) whether the regulations unduly trespass on rights previously established by law;

(*c*) whether the regulations unduly make rights dependent upon administrative and not upon judicial decisions; and

(*d*) whether the regulations contain matter which, in the opinion of the committee, should properly be dealt with in an Act of Parliament.

It is sub-clause (*c*) under which the committee is purporting to act in connection with this matter. The motion before us relates to by-law No. 41 of the District Council of Salisbury. It purports to set out what is called a building alignment for certain streets within the district council area, and it establishes a building alignment varying in depth from 35ft. in some streets to 25ft. in other streets. The effect of this is that people cannot erect buildings within the specified distances of the street frontages. The schedule sets out in detail the various streets to which the building line applies. Clause 4 of the by-law is headed "Dispensation" and it says:—

The council may, in any case in which it deems it expedient, dispense with the observance of this by-law or any part thereof either absolutely or on such terms and conditions as the council deems proper.

The effect of this by-law is this: firstly, it sets out certain building alignments. Anyone who wants to erect a building and is prepared to abide by the distances thus set out can do so without asking any question or seeking the permission of anyone, but if for some reason he does not want to observe the conditions and wants some special consideration, or wants to do something which is less than that required by the by-law, he must secure the consent of the council—and I point out that it is the consent of the council and not of the clerk.

The by-law could well have been made without clause 4. In other words, the District Council of Salisbury could have made a by-law setting out definite building alignments for various streets without any dispensating power, in which case I do not think we would have any power to act. However, for obvious reasons there are cases where some consideration should be given to a particular case for a particular reason and that power is vested in the council and I cannot see that there is any objection to that particular procedure. In other words,

where a standard is established and the council has power to agree to something less, I do not think there can be any objection. However, if the matter were in reverse and the council said that the general standard shall be so and so but in certain cases the council might insist on a deeper building alignment—in other words, giving the council powers above what were intended by the by-law—I think there could be some objection.

I point out also that under the Building Act—and this by-law was made under the Building Act and the Local Government Act—section 82 (1) provides as follows:—

82. (1) Subject to the provisions of this Act, the council may make such by-laws as they may think expedient for the better carrying into effect of the objects and powers of this Act with respect to the following matters or any of them, that is to say . . .

It then sets out all the matters on which by-laws may be made, and building alignments was one of them. Subsection (4) provides:—

(4) The council may provide by any by-law that, in any case in which the council think it expedient, they may dispense with the observance of any by-law on such terms and conditions (if any) as they think proper.

It seems to me that that subsection contemplates the very thing the district council of Salisbury has done in this case. In point of fact clause 4 of the by-law very closely follows the wording of that particular subsection. The real objection raised by the committee was whether these matters should be dealt with on a judicial rather than on an administrative basis. I have discussed that particular aspect in detail with the Parliamentary Draftsman and he reports to me that these are matters which cannot very well be the subject of judicial decision and that they are properly limited to be dealt with on an administrative basis. His report to me is as follows:—

The ground of objection raised by the committee cannot be sustained. It would not be possible to make the proposed exemptions depend upon judicial decisions. They are not matters which are capable of solution by judicial processes. A judicial decision implies that a matter will be decided after a hearing of the parties concerned by an impartial person, and by the application of principles of law to the facts. The right to an exemption under these by-laws, however, cannot be decided by the application of any rule of law. Whether an exemption should be granted is a question of public policy, or of what is advantageous or expedient in the public interest in the particular circumstances.

There is no rule of law which when applied to the facts will lead to the proper decision on these matters. Of course, in dealing with an application for an exemption the council should act fairly in the sense that it should carefully consider the matters submitted to it by the applicant, but this does not mean that the application is to be decided judicially. These applications for exemptions must necessarily be decided by an administrative body, that is the council, and they have to be decided on principles of public policy. It is, therefore, no objection to the by-laws to say that they make rights depend on an administrative rather than a judicial decision.

I think that makes it clear that the Council would probably be justified in not accepting the motion for disallowance, but in suggesting that the Council should do that I want to make it clear that I do not think we are showing any disrespect to or reflecting on the Subordinate Legislation Committee in any way. It was appointed for the express purpose of watching all these regulations and reporting to Parliament on any it felt were not desirable. It has done so in this case and we are quite within our rights in considering what should be the fate of the motion for disallowance. It is interesting to note that since the committee was first set up it has considered many regulations and in most instances we have agreed with its recommendations, although in some cases the Council has suggested certain amendments, whereas in others it has not agreed with the committee's report. After full consideration, I think there is no real objection to the by-law and I cannot see that the council is going beyond what Parliament intended should be its power; therefore I suggest that we disagree with the motion.

Motion negatived.

NOARLUNGA DISTRICT COUNCIL BY-LAW: INDUSTRIAL AREA.

The Hon. E. ANTHONEY (Central No. 2)—I move—

That By-law No. 31 of the District Council of Noarlunga, creating a portion of the District Council District of Noarlunga an industrial area, made on June 17, 1958, and laid on the table of this Council on July 22, 1958, be disallowed.

I have already pointed out that my committee did not disagree with the substance of the by-law. It all hinges on the one clause which gives the council discretionary power. In the committee's view it was going too far and the committee still thinks it is wrong to give a council complete discretion in such by-laws. It came to the conclusion that the by-law was practically useless. The committee disagrees with this by-law because of the dispensation clause.

The Hon. Sir Frank Perry—Is that a new viewpoint, or has it always been the same?

The Hon. E. ANTHONEY—It arose largely because of the councils' abuse of certain powers. I admit there are many by-laws containing the dispensation clause, but because the power in certain by-laws was abused the committee felt it would have to be much more strict in its decisions on these matters.

The Hon. C. D. ROWE (Attorney-General)—The basic principle behind this by-law is exactly the same as that behind the one referred to earlier today. In this case the district council of Noarlunga proposes virtually to effect the zoning of various types of buildings within its area. Clause 2 of the by-law provides:—

No person shall within the portion of the District Council district of Noarlunga described in the schedule hereto, erect or construct any building except a building of the warehouse class.

That is to say, no-one in the area could build anything but a warehouse. However, in clause 4 it is provided:—

Notwithstanding anything contained in this by-law, the District Council of Noarlunga may, in any case in which the said council deems it expedient so to do, by notice in writing dispense with the observance of this by-law upon such terms and conditions (if any) as the said council deems proper.

In other words, it could have had the by-law without the dispensation clause and could have had a blanket cover prescribing that no-one could build anything except a building of a warehouse nature in this area. The council has provided in certain cases that a building of a different type may be erected.

The Hon. S. C. Bevan—Has not it declared it an industrial area?

The Hon. C. D. ROWE—I presume it could be described as such, although those words are not used in the by-law. I cannot see that there is any objection to the by-law and I therefore ask the Council not to support the motion.

Motion negatived.

NARACOORTE CORPORATION BY-LAW: HEIGHT OF FENCES, ETC.

The Hon. E. ANTHONEY (Central No. 2)—I move—

That by-law No. 31 of the Corporation of the Town of Naracoorte to regulate the height of fences, hedges and hoardings within 20ft. of intersections, made on May 20, 1958, and laid on the Table of this Council on August 12, 1958, be disallowed.

The same explanation applies to this by-law as to the others. The committee disagreed with this by-law on the same ground: that it contained an objectionable clause, the dispensation clause. Therefore, I move for the disallowance of this by-law.

The Hon. C. D. ROWE—The principle involved here is the same as in the case of the other two by-laws on which I have spoken today. Therefore, I ask the Council not to support the motion.

Motion negatived.

ONKAPARINGA DISTRICT COUNCIL BY-LAW: BUILDINGS.

The Hon. E. ANTHONEY (Central No. 2) moved—

That By-law No. 27 of the District Council of Onkaparinga prohibiting the construction of buildings of certain kinds within the district, made on April 28, 1958, and laid on the Table of this Council on August 19, 1958, be disallowed.

Motion negatived.

NURSES REGISTRATION ACT AMENDMENT BILL.

The Hon. Sir LYELL McEWIN (Minister of Health), having obtained leave, introduced a Bill for an Act to amend the Nurses Registration Act, 1920-1956. Read a first time.

INTER-STATE DESTITUTE PERSONS RELIEF ACT AMENDMENT BILL.

The Hon. Sir LYELL McEWIN (Chief Secretary), having obtained leave, introduced a Bill for an Act to amend the Inter-state Destitute Persons Relief Act, 1910-1955. Read a first time.

BENEFIT ASSOCIATIONS BILL.

Read a third time and passed.

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from September 23. Page 812.)

The Hon. C. R. STORY (Midland)—This Bill deals with a proposed expenditure of £27,350,000, £26,722,000 of which will be used on State works and £628,065 of which will be used for funding deficits. In addition, £5,000,000 is being made available under the Commonwealth-State Housing Agreement. We appear to be receiving, and needing, much money for housing today. Under the Bill, the State Bank will receive £1,000,000, the Housing Trust £500,000 and temporary homes £21,000, making a total of £1,521,000 for housing. In addition to that, we have the

£5,000,000 under the Commonwealth-State Housing Agreement. That makes a total of £6,500,000 for housing, plus the guarantees that the State Government gives to the other organizations responsible for lending money for housing in South Australia. The sum of £6,500,000 is in itself almost in conformity with the amount we are spending on other essential services.

I realize that everybody should and must be properly housed. If people can own their own houses, so much the better. There is a certain type of person who, through circumstances, can never own his own home. Therefore, it is up to us to see that proper housing is provided for him by the Housing Trust.

Under "Loans to Producers," £600,000 is to be spent on co-operatives in this State, £300,000 of that total being on the establishment of a co-operative cannery at Berri. Those works are well under way. It will be a great help to the canning industry here to have that cannery ready for operation this season, as it will be as things are going. The industry itself, as I have explained to this honourable Chamber before, is in a delicate position, and the co-operatives will give a lead in the establishment of a proper and decent standard of canned fruit to be exported from this State. I am pleased to see that that amount has been provided and that the building and the plant are under way. The Berri winery is to receive some of that money for development, which is also essential in a developing industry like our wine industry. A new process has been evolved for the waxing and mould-proofing of citrus fruit for the export market and a certain amount for this purpose is provided under the Loans for Producers Act. Under this anti-mould treatment the fruit is immersed in bulk in a bath, dried by spin-driers and subsequently waxed, and the waxing process is giving a very attractive appearance to the fruit. Reports from our markets overseas are to the effect that the fruit is superior even to the highest grade Californian, of which we have always been very afraid. This money, therefore, is being put to very good use. The di-thermal wrappers used for wrapping individual fruit to prevent mould spreading will still have to be used for a time until impregnated liners can be obtained for isolating the fruit in the boxes. This is a most important step forward in the citrus industry, and we certainly need to cultivate any export industry which finds a ready market for its products overseas because, as has been pointed out in this Chamber very recently, a number of our more important exports have diminished considerably during the last very short period.

Regarding "Advances for Settlers, £100,000," if I have any criticism of the whole set-up of this Bill it is in regard to the amount set aside for advances to settlers. This is one of the funds that gives young people an opportunity to start in primary industry, and we realize that it is not easy to get finance for development of properties nowadays. The Advances to Settlers Act affords one of the opportunities for land to be developed, houses built and essential equipment obtained, with repayments spread over a long term. It is most essential in the development of any business to know exactly how long one has the money for. It is very nice to be able to get an overdraft limit, but if, because of some internal catastrophe, or internal reorganization of the bank or the general monetary system, one is suddenly faced with a call-up of a certain amount of the overdraft thereby reducing the money available from, say, £5,000 to £3,000, it can be most disastrous. A regular fixed amount of money over an 18-year term under the conditions of the Advances for Settlers Act is the most secure means by which a man can develop land.

The Hon. S. C. Bevan—It will not go very far.

The Hon. C. R. STORY—It certainly will not and I should have thought that a bit more would have been a very good thing. I understand that the Government proposes to bring in amendments to the Irrigation on Private Property Act in the very near future. This is necessary and is urgently required because a number of group schemes want to start and it will be necessary to have the amendments put through to enable them to get under way. The sooner it is done the better. The sum provided under the lines "Loans for Fencing" and "Water Piping and Loans for Water Conservation" also seems extremely light—£10,000 for piping and £1,000 for water conservation. It appears that it is simply a matter of keeping the lines on the Estimates. I think these sums should be looked at more carefully because water conservation by the individual property owner can save the State a tremendous amount. If a landowner is prepared to catch the water upon his own property it will not run into the creek and eventually find its way into some reservoir to be subsequently pumped back to him over a distance of perhaps some hundreds of miles. It seems that we ought to be able to cut out the

middle man and give the property owner a little money to do his own conservation. I know that some people have done much in conserving water. I have been on a property of 30 acres at Willunga which has a most magnificent dam which catches water from the hills.

The Hon. F. J. Condon—What do you mean by the middle man?

The Hon. C. R. STORY—In South Africa, which is not as fortunate as we are in its natural rivers, for every 100 acres taken up on the flats the farmers are given a portion of the mountain range behind them and from that range they must collect their own water. In view of the number of hills in South Australia capable of providing catchment water, but which we notice are mainly scoured out, it seems a pity that more is not done by the individual by way of water conservation and utilization. In certain areas we know that this cannot be done because there is no run-off, but in places where water does run we should see that funds are available to assist people who want to conserve their own supplies, for it is a mighty costly business, as these Estimates show, to pipe water over long distances.

The secondary industries we are developing will require immense amounts of water in the near future and I was interested to read in several articles recently of some fear in the minds of thinking people and scientists that if we continued to develop our secondary industries at the present rate and the need for water increased at the rate it had done in recent years we might find ourselves in the position of having to ration water from the River Murray for the irrigation of primary products. That would be a most serious position because we have to feed our people and Australia can develop only at the rate it can produce food. We know that we have to watch the water position generally, so it would appear that everything that can be done should be done to conserve water and use it properly.

"Crown Lands Development, £100,000" is a very welcome line and I think it is the largest amount we have seen under this heading for some time. It is still not very large, but it shows that the Government, having almost finished war service land settlement, is now taking the opportunity to go ahead with the development of Crown lands. If we can do this gradually and as the State can afford it, so much the better.

The sum of £200,000 is set down for the Highways and Local Government Department. This is to be used for bridges—£100,000 at Blanchetown, £95,000 at Cadell and £5,000 at Port Adelaide. Yesterday I was most interested in Mr. Condon's remarks with regard to the proposed expenditure on the Blanchetown bridge. He set out some priorities on which he considered Loan money should be spent, namely, No. 1, water, No. 2, housing and No. 3, hospitals. I do not know whether he meant that we should put the whole of the £26,000,000 into those items, but I took it that he wanted those priorities fixed for a start. His wishes have been granted fairly well because £5,500,000 was provided for water, £6,500,000 for housing and £3,000,000 for hospitals. Those are practically the three biggest items under the Bill so his wishes seem to be fairly well met.

The Hon. A. J. Shard—He meant that £100,000 could be used to better purpose than on the bridge at Blanchetown.

The Hon. C. R. STORY—He was rather scathing about the bridge and I could only think that perhaps he was a little annoyed because only £5,000 was set down for the Port Adelaide bridge. Perhaps he realizes that the representation of Port Adelaide cannot be quite as good as it is in other areas. He mentioned particularly the use of the north of the river road as a reason for not going ahead with the bridge. Certainly it takes a certain amount of traffic, but for Waikerie and Loxton it is most inconvenient and this was the main reason for the Government's referring the proposition to the Public Works Standing Committee in the first place. Incidentally, that committee has recommended the work and I think the Government is to be highly commended for being so prompt in putting this line on the Estimates so that preliminary work can go ahead.

The Hon. F. J. Condon—There is an election coming on.

The Hon. C. R. STORY—We have been told in this Chamber before that the policy of the Party of which the honourable member is Leader is a democratic policy and that all its members think the same—that, having worked out their policy, they all support it. I do not know whether I am right in concluding, from what the honourable member said, that his Party is opposed to the bridge being at Blanchetown and that, instead, the Government should build houses in the city areas. If his Party's policy on decentralization, about which its members are always talking, is to build houses in the city, I cannot believe that anyone in the country areas could support those who think along those lines. The Minister's statement concerning the expenditure of the State was a

very balanced one. I agree that everyone, not only one section, should receive fair treatment. Housing is well provided for from the moneys available. I believe that each section of the community should share in proportion to the importance of the work involved.

The Hon. F. J. Condon—Which did you prefer—the bridge to be at Blanchetown or at Swan Reach?

The Hon. C. R. STORY—I have already said I would leave the matter entirely to the Public Works Standing Committee to decide on the evidence submitted. After considering the matter for three or four years it brought in its report and decided that Blanchetown was the best site, and I am prepared to abide by that decision. I am quite happy with it.

An amount of £666,000 is to be expended on the Blanchetown bridge over a period of years, but this year £100,000 is set aside for preliminary work. This is a very good way of financing such a venture. It would be no use our placing on the Estimates a big sum which could not be spent, but this £100,000 could well be spent on the bridge approaches this financial year. As Mr. Condon has already said, it would have cost an additional £1,000,000 for a bridge at Swan Reach because of the need to construct a road from the foot of Accommodation Hill to the bridge. To me this is too great an expenditure.

I think the Minister of Roads and his officers are entitled to a word of praise for the manner in which they are improving the roads leading from Adelaide to the north and to the Murray. The only thing I should like to satisfy myself on is that the work on completing the Sturt Highway should proceed as soon as the present high water level recedes.

Education and hospitals are absolutely essential to the well-being of the State. It is necessary that we should provide a standard of education that will enable us to take advantage of the most recent scientific knowledge. It is no use the brains of the country being vested in only small groups of people who can assimilate the scientific knowledge made available by the universities if the remainder of the public cannot be placed in a position to share the advantages of that scientific knowledge. The vote on education must at all times be kept up. Perhaps we shall have to go without in some other direction, but it is good to know that our children are being given the best opportunities with the funds available.

An amount of £20,000 is being made available for preliminary drainage work at Cooltong. The whole scheme will cost about £166,000, or in other words £142 per planted acre which, in addition to the cost of planting and bringing the trees into bearing, places a rather heavy load on that area. It is most unfortunate that seepage should have developed. I thought this could have been considered one of the best projects the Government had undertaken under the war service land settlement scheme. It is, therefore, most discouraging to find that after a few years the properties are showing signs of seepage. Nothing can be done about it except to provide a comprehensive drainage scheme so that a payable return can be obtained from the properties. An amount of £10,000 has been placed on the Estimates for improvements to the pump at Moorook and repairs to the rising main. People in the district have been pressing for some time for an additional 200 acres to be made available to existing settlers at Moorook, and I am hoping that a report will be made available by the Lands Department approving this area being opened. It would be done entirely by private enterprise, and the Government by expending this £10,000 will in effect be making a very good investment.

An amount of £1,800,000 is being made available to the Railways Department for new rolling stock. I have always thought that if you have a run-down business it does not matter how much money you pour into it, you cannot get any more out of it; and unless the railways get new equipment and go ahead with their plans for changing over to diesel power, we can look forward a long time before they will produce any profit. The main thing is for the railways to give an efficient service. That is generally accepted in regard to other public utilities. This is necessary to enable the State to continue with plans for development and for the decentralization of the population. Perhaps we may lose a little money on the swings, but we will pick it up on the roundabouts.

The Hon. A. J. Shard—Where will we pick it up?

The Hon. C. R. STORY—Certainly not at the Botanic Park. If the railways are to prosper they must keep abreast of the times and have the best equipment they can get with the funds available. I think they are doing that. There is no doubt that the Electricity Trust is doing a magnificent job. Its officers are always co-operative and happy to assist. They do an immense amount of work apart from their ordinary jobs for which they are paid. Often at weekends they inspect areas which have a potential for the supply of electricity. The trust is embarking upon a complete survey of

the whole State to ascertain electricity needs, and is adopting a new scheme whereby people in remote areas can be supplied with electricity from the one wire system. Costs are being cut by half. This must be of immense benefit not only to the people concerned, but to the State as a whole. We have made remarkable progress in providing electricity since the Trust was formed, and remote parts of the State which had no hope of getting electricity under the old system are certainly now receiving it for very reasonable rates. Remote parts of the State are now being supplied. This would have been completely uneconomic five or six years ago. The trust has lowered the standing charge in the more remote areas by removing the zones back towards the city, and I do not think it will be very long before most of these standing charges will be removed without the trust being financially embarrassed.

The State is being developed on sound lines, and provided we do not get our feet off the ground and provided we see that our primary industries are developed at the same rate as our secondary industries, this State will be all right. We are still fundamentally a primary producing State, and unless we proceed with primary development, improve our pastures, thus increasing the carrying capacity, and continue to retain that balance, the State will not remain in its present happy financial position. I support the Bill.

The Hon. Sir ARTHUR RYMILL (Central No. 2)—As every honourable member knows, we have strictly limited powers in relation to a Bill of this nature. I suppose every clause would be construed as a money clause within the meaning of the State Constitution, and thus our powers are not to amend, but to suggest amendments if we see fit so to do. I do not regard that stricture as being a real bar to any usefulness that this House may have in this regard, because I have no doubt that a debate here on the Bill producing suggestions about defects or improvements will be given full weight in another place. For reasons many times expressed, this Chamber, as a House of Review, can occasionally create some advantage even to a money Bill, over which it has no direct powers. Suggestions can often be as valuable as amendments to broad-minded Governments such as the one we are fortunate enough to possess at the moment.

This being my first speech on the Loan Estimates as a private member of the House, I thought I would try to make a general survey of the situation as I saw it and then perhaps deal with some of the items as other honourable members have done, in particular, some of the larger items.

The consideration of this Bill is wrapped up in these days with the financial set-up of the Commonwealth and the States. It is, of course, practically wholly governed by the Financial Agreement of 1927 between the Commonwealth and the States. Not having been a member of this House for as long as at least 18 members, I do not know how far members have in recent times studied the Financial Agreement, or whether I should dwell on it for a short period. Even if members have looked at it from time to time over the years, a restatement of the situation may be of some value because I know that, when I perused the Financial Agreement again this morning, many details had escaped my mind. Thus, I do not think I should apologize for drawing the attention of honourable members to its crucial provisions.

Honourable members will remember that the agreement, entered into at the end of 1927, set up the Australian Loan Council, consisting of the Prime Minister and the State Premiers, or their nominees in certain circumstances, and by a subsequent amendment the Commonwealth member was made chairman of the council. Clause 3 is, I think, the most vital clause. Part III of the agreement relates to the Commonwealth's taking over the public debts of the States as from July 1, 1929, on certain conditions. Clause 3 is the one that has real reference to the Bill we are now considering. It provides by paragraph (*g*) that the Commonwealth and States shall submit to the Loan Council each financial year a programme setting forth the amounts they each desire to raise by way of loan. Paragraph (*h*) of the same clause provides:—

> The Loan Council shall decide the amount to be borrowed for the year and may by unanimous decision—

I emphasize "unanimous"—

> allocate such amount between the Commonwealth and the States.

Paragraph (*i*) is vital, for it provides that—

> If the members of the Loan Council fail to arrive at a unanimous decision . . . the amount to be borrowed for that year shall be allocated as follows:—
>
> i. The Commonwealth shall, if it so desires, be entitled to have one-fifth or any less proportion of such amount allocated to the Commonwealth; and
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> ii. each State shall be entitled to have allocated to it a sum . . . bearing to the balance of such amount the same

> proportion which the net loan expenditure of that State in the preceding five years bears to the net loan expenditure of all the States during the same period.

That is, the last five years from time to time. That is a vital clause of the agreement, because, as I understand it, that is the one that is generally relied on. It is not likely that unanimity can be obtained on a matter of this nature between the Commonwealth and all the States. Thus, South Australia's entitlement, for example, is the proportion that its Loan funds for the previous five years bear to the total Loan funds raised in that period.

That raises a vital issue in this regard; unless South Australia takes its full allocation of Loan moneys each year, its borrowing power for future years is restricted. Unless you take the whole amount in each year, your entitlement under that clause for the next year and succeeding years will be less; and, if you do not take the whole amount for the next year, it will be less again, and so on.

I looked hurriedly at the statistics this morning. I have heard these things talked about in general many times but have never myself looked into the statistics before. It seems to me that what I have always understood—namely, that South Australia has a good advantage in Loan fund raisings—is true. I looked up the average figures for the five years preceding entering into the Financial Agreement and although, as Sir Collier Cudmore often says, figures can be fairly boring, I think these are worth citing, to show the advantage that South Australia started with in the way of Loan raisings under the agreement.

For the five years before 1927, which I take it was the basis on which the first allocation of Loan funds was made (these figures are purely rough; I will not guarantee their accuracy but they are near enough to the mark to give an idea of what happened), the loan raisings totalled: New South Wales, £48,000,000; Victoria, £43,000,000; Queensland, £20,000,000; South Australia, £25,000,000; Western Australia, £19,000,000, and Tasmania, £3,000,000. That was an average of roughly £9,500,000 per annum for New South Wales, £8,500,000 for Victoria, £4,000,000 for Queensland, £5,000,000 for South Australia, £4,000,000 for Western Australia, and less than £1,000,000 for Tasmania. South Australia started with an average borrowing of £5,000,000, whereas New South Wales, a huge and highly populated State, borrowed only £9,500,000, and Victoria £8,500,000.

Per head, the borrowings are interesting because the rough averages for those particular years were: New South Wales, £4 5s.; Victoria, £5 4s.; Queensland, £4 16s.; South Australia, £9 7s.; Western Australia, £10 16s. (also advantageous) and Tasmania, only £2 14s., making an average for all States of about £5 8s.

To put it in percentages, the figures are: New South Wales, 31 per cent; Victoria, 28 per cent; Queensland, 13 per cent; South Australia, 16 per cent; Western Australia, 12 per cent, and Tasmania, 2 per cent. So it is obvious that South Australia started with an advantage. Although I am only again speaking from hearsay, I think it is a fact that we have stuck to that advantage by taking what Loan funds were available to us. Thus, in the last figures I could find in my hasty assessment, we observe in the 1954-55 State Loan expenditure these amounts expended by the various States: New South Wales, £53,000,000; Victoria, £41,000,000; Queensland, £20,000,000; South Australia, £27,000,000 (more than half of New South Wales's amount); Western Australia, £16,000,000, and Tasmania, £17,000,000. I do not know how Tasmania's share has risen to that figure or how it has been built up, because they were in the most disadvantageous position in 1927. That figure shows that South Australia's loan expenditure in that year was roughly 15½ per cent compared with the 16 per cent entitlement with which we started. So that it seems that we have kept our advantageous position.

Thus, our borrowing to our full capacity has had a virtuous effect on our progress. It has meant a good deal; in fact, it has been a great part of South Australia's spectacular progress over the years since the Financial Agreement was entered into. Further, the inflation that we have suffered proves the wisdom up to the present of the policy of taking these Loan funds, because purchases by these funds up to 1948 or 1950 would probably cost at least three times as much now. Also, building costs have risen so greatly that buildings might cost now six or seven times what they cost when we started to spend these Loan moneys under the Financial Agreement.

As I understand their wishes, the public have been demanding this expenditure by the State. It is what they have been wanting and asking for, and they have got what they want. They have had full Loan programmes that have benefited them. The public have been right in their attitude.

There appears in this morning's newspaper a condensation of the report of the Commonwealth Grants Commission which, I think, vindicates the State's loan borrowing policy. It says:—

The dependence of South Australia on special disabilities grants is declining, the Commonwealth Grants Commission says in its annual report to Parliament today. The commission says this can be taken to be a result of the improvement in the State's economic position.

It goes on to say:—

The commission says in its report that in recent years South Australia has made considerable progress, particularly in industrial development, although there have also been significant gains in primary industries and great improvements in agricultural practice.

That confirms what I have been saying, that what has been done in the fiscal line in this State over the period since the Financial Agreement came into force has been proved to be a virtuous and correct policy.

Although there are certain writings on the wall that one may be able to interpret today, nothing has yet happened, as I see it, to indicate that this policy of full borrowing should be pruned. We have warnings in the economic sense if we can interpret them. For instance, the price of wool has fallen to a level where the financial honeymoon is obviously over. Even this morning's press records a slight drop in wool prices. Again, the latest news is a restriction on the import by the United States of base metals, on which we rely heavily for dollars. We all know, of course, that the prices of those base metals have diminished in recent months and are not on the same level as they have been. However, those are merely writings on the wall that give one cause for watching the position even more carefully, but they do not indicate that anything has happened to warrant the alteration of our financial policy of the past years. I would like to point out again, in relation to the Financial Agreement, that a recession in general economic conditions will no doubt of itself bring about a reduction in the amount that the whole pool can borrow: in other words, in the amount of loan finance available for the Commonwealth and the States of Australia.

The Hon. Sir Frank Perry—We usually have to borrow more then.

The Hon. Sir ARTHUR RYMILL—Yes, if there is any money available to do that, but it may well be that the availability of money in the event of a recession would automatically curtail the States' borrowing powers whereby we could still take our full proportion of the Loan funds available without impairing our borrowing capacity in future years. The effect of the Financial Agreement, I think, is this: that is has largely—at this stage, in any event—removed the necessity for the State to determine its own level of borrowing. There is an amount it is entitled to borrow and there is a penalty clause in the agreement for its failure to borrow the full amount, namely, that in succeeding years this would restrict its borrowing capacity. Therefore, while that agreement remains the keynote of the availability of funds in Australia I would not advocate any alteration in the policy.

There is one further thing that I have mentioned before and would like to repeat, namely, that I believe that our State Government has been getting full value for its Loan money expenditure, that its money has been wisely spent, and that we have facilities and development in this State that we never would have had without our heavy borrowings.

Turning now to the details of the Loan expenditure, I wish to make a few comments, one or two of which have been made by other members but which, nevertheless, I should like to repeat. The first item, which I think most members have commented upon, is advances for homes. I have always been in favour of encouraging and in every way trying to facilitate individual ownership of homes. I believe strongly that every person who possibly can should own his own home and have a stake in the country, because therein lies a responsible personal political outlook by which, of course, we are all governed; it is the politics of the people that count in our democracy, and if they have a stake in the country—and I am 100 per cent in favour of encouraging it—they are going a take a responsible rather than a haphazard outlook or ill-considered view. I am all for home ownership and thus I am happy to see this item in the Bill.

With regard to the State Bank in general, I read in the paper this morning that the Leader of the Opposition in another place has suggested that the Australian banks should grant personal loans in the same manner as, according to announcements, they have been pioneered by the Midland Bank, one of the "Big Five" in England. Personal loans by the Australian trading banking system have been a feature of that system for over a century, but the banks have never asked for what is now called a flat rate of interest, which is in fact a compound rate of interest; they have always charged simple interest. The rate of interest on the so-called new type of loan is a flat rate which works out at about 9.4

per cent, which is far higher than anything we see in this country today. Personal loans are made today probably at 6 per cent; certainly not higher, because that is the maximum our banks are permitted to charge. Often the rate is as low as 3½ and 4 per cent.

The Hon. Sir Frank Perry—That is against security.

The Hon. Sir ARTHUR RYMILL—No, personal unsecured loans. They have been made by the Australian banking system for over a century and are still being made today. The banks, as indeed do other financial institutions, back the man. They assess the man as a person of reliability and, if he measures up to that, he can get a reasonable loan according to the assessment of his credit-worthiness. It does not necessarily follow that he will get £500 any more than the Midland Bank's announcement means that everyone there can ask for £500 and get it. It means that everyone is individually assessed as to his capacity, credit-worthiness and general stability and he can borrow accordingly. I believe there is no greater competition in any line of business than in banking and the virtue of our system is that if one is refused by one bank one may go across the street and try another.

The Hon. Sir Collier Cudmore—Our banks charge interest only on the money you use, whereas in England they make you pay on what you are going to have available.

The Hon. Sir ARTHUR RYMILL—That is precisely so. The Leader of the Opposition in another place apparently—

The PRESIDENT—The honourable member is out of order in referring to debates that have taken place in another place.

The Hon. Sir ARTHUR RYMILL—I do not want to dwell on that matter, but I did want to point out that the Australian banking system is competitive, flexible and up-to-date, and if anyone is reasonably credit-worthy he can borrow to the extent of his credit-worthiness even without security.

The Hon. S. C. Bevan—From which bank can you borrow today?

The Hon. Sir ARTHUR RYMILL—It is not for me to take advantage of such a question in an advertising sense so I will not answer it. I draw attention to some of the larger amounts covered in the Loan Estimates as an indication of the magnitude of the matter we are considering. Under the heading of Woods and Forests we see no less than £993,000 for working expenses and £305,000 for felling and hauling mill logs. That is very big business anywhere in the world and certainly for South Australia and I am happy to see that through the wisdom of successive earlier Governments we are now reaping the benefit; I know that that applies not only to the present Government but also to its predecessors. There is a recoup of nearly £1,500,000 which is to be met from other than Loan funds. I take it that that amount includes profit on the sale of timber.

Under the heading of Railways there is an indication of further progress in the line "Twenty 1750 h.p. diesel-electric locomotives, nearly £500,000" and 42 suburban diesel rail cars, nearly £1,000,000. I have often advocated lighter railway traffic. I do not know a great deal about railways technically, but I have always had the feeling that we ought to try to lighten our rolling stock even if it means smaller trains; that we ought to have speedier, lighter and possibly smaller, cars for light freight and passenger traffic, because that might be part of the engineering set-up. The 42 suburban cars is a further step in that direction because that type of vehicle is lighter, smaller and faster, and I believe it could be applied to a further extent for bulk light goods, such as motor car bodies.

One sees that enormous straight track to Melbourne without very much traffic on it and alongside one sees a twisting road with individually steered semi-trailers. I have often pondered the question why we cannot put on the railways, which have to be maintained in any case, much of the traffic which will steer itself and will not be subject to accident through exhaustion of the driver; why we cannot put light, fast freight and passenger cars on the railway in a rather revolutionary sense as opposed to the present-day conception of railways. If our railways are to survive I believe they must develop in that manner.

Under the heading of Engineering and Water Supply Department there is an amount of over £1,000,000 for the Myponga reservoir. I have seen the site, and it is a very interesting situation. Our history of water supply has been in general that supply has more than kept pace with demand and that is a very desirable position, unlike the situation in other States. It is also a very happy thing to see that that position is to be maintained and that these new reservoirs are being developed so that our growing population will still have cheap water, because the cheapest form of water is water that is impounded, gravitated, and does not have to be pumped. An amount of £750,000 is allocated for the Warren trunk main and £640,000 for the Yorke Peninsula scheme. For the reticulation

sewers in the Adelaide district, including miscellaneous extensions and new works, an item of £343,000 is provided. I congratulate the Government on the job it has done in its major replacement of old and outmoded water mains. There were many complaints a few years ago because of the back lag caused through the war, resulting in corroded pipes and lowered pressures. There has been a dramatic improvement in that regard and the Government is well on top of the problem.

Under the Architect-in-Chief's Department there are two major categories that we might call civilization's fundamentals of life, namely, hospitals and schools. For hospitals, no less than £3,150,000 is allocated and for school buildings no less than £3,600,000. These are large items of expenditure which have been made possible by what I may call a complete loan policy of taking all the money we are able to get our hands on. Everyone knows that hospitals and schools are finding it hard to keep abreast of the times, not only because of the increasing population and the higher standards now being demanded but, as to hospitals, because it is being made easier for people to pay for their medical treatment. This is naturally having an effect on demands on hospitals. I think the Government is doing everything possible to meet the situation. I cannot imagine that any State has done more in this regard. The money has been well spent and we have got value for it, and nothing more could have been done. Any other State would have done well had it equalled our effort.

We find that the tremendous sum of more than £10,000,000 has been allocated to the Housing Trust. Not all will be supplied from Loan funds because £5,000,000 is to be provided by allocation from the trust's internal funds and £3,500,000 under the Commonwealth-State Housing Agreement. Loans to be raised by the trust itself amount to £500,000 and a special Commonwealth grant to the country housing scheme amounts to £300,000. We can all take pride in the fact that the Housing Trust has been put on such a substantial basis that it can provide more than £5,000,000 in one year from its own funds from the sale of houses and from other sources. The trust has been developed into such a big organization for the benefit of the people that it can talk within its own walls in those terms of money. Then there is the new policy of the Government's providing a larger percentage of the loans to enable people to purchase houses. The query was raised whether this policy should not also apply to old houses. I think it is correct to apply it to new homes. If we finance the purchase of old houses, we create nothing, whereas if new houses are built someone will be able to find the money somewhere to buy the old houses. It is a creative rather than a static policy.

The Electricity Trust is to receive more than £2,000,000 under the Loan programme. I think we can all agree with Mr. Story that it has done a wonderful job, not only in the city but in the country, has kept abreast and even ahead of the times, and has brought electricity into the homes of country people who could hardly have envisaged such development even 10 years ago.

Under the item "Fishing Havens," payments to June 30, 1958, amounted to only £31,323, but this year £100,000 is being provided for work at Port Lincoln and elsewhere. It was interesting to read in this morning's press that a record quantity of 8.6 million pounds of fish were caught in South Australia for the year ended June 30 and this exceeded last year's catch by 150,000 pounds. I mention these lesser items to show that the Government looks after both the small and the big things, and these success stories add to the State's economic background and its prosperity. The figures appearing in the Loan Estimates are impressive and to a great extent are an index not only of South Australia's prosperity, but also of her progress.

I must introduce a slight note of criticism in my remarks because the Bill applies to material things. I do not think the Government is paying sufficient attention to cultural matters. Cultural progress is part of our life, whatever materialists may say to the contrary. I think they have been well catered for in South Australia over the past years. We only have to look at the beautiful buildings on the north side of North Terrace to appreciate that they have been constructed at great expense by our forebears, and I fail to see what we in our generation have done to match them. I feel that for a comparatively small expenditure we could do something for the cultural side of the State's life. Perhaps later I shall contribute some more direct and constructive suggestions in that regard. That is the only note of criticism I raise. We are not devoting the widow's mite, so to speak, to that side of things that would go a long way toward satisfying the people's requirements. I consider that the State is benefiting by this full Loan programme and while provision can be made for sinking fund and interest payments I shall

continue to support that policy because I think it is the right one and I can see no alternative to it.

I believe that South Australia's loan indebtedness is possibly the highest per head of population of any State. In 1939 the debt per head of population in the Commonwealth amounted to £45, in 1952 to £216, and in 1956 was back to £204. The all-States' average in 1939 was £129, in 1952 it was £162 and in 1956 it was £209. In 1942 the debt per head for South Australia was £179, in 1952 it was £234 and in 1956 it was £301—compared with the all-States' average of £209 it was nearly £100 greater. However, I believe that our policy has paid us handsomely and therefore I support its continuance in present circumstances.

The Hon. Sir Frank Perry—I believe that some States were not borrowing on the same basis.

The Hon. Sir ARTHUR RYMILL—It is hard to arrive at the actual criterion, but I am taking the Statistician's figures, which are probably somewhere near the mark. Finally, I should like to repeat that I believe that the latest report of the Grants Commission confirms that our borrowing policy has been a good and correct one, because it confirms that our economic position has improved not only in a secondary industry sense, but also in respect to our primary industries. For those reasons I have much pleasure in supporting the Bill.

The Hon. R. R. WILSON secured the adjournment of the debate.

MINING (PETROLEUM) ACT AMENDMENT BILL.

In Committee.

(Continued from September 23. Page 815.)

Clauses 3 to 18 passed.

Clause 19—"Power of Minister on application for renewal."

The Hon. Sir COLLIER CUDMORE—As I think this is an important clause, I do not think we should agree to it without proper scrutiny. When introducing the Bill, the Minister said:—

Clause 19 makes amendments of section 40 of the principal Act. This is an important clause which enables a Minister on an application for renewal of an oil exploration or an oil prospecting licence to refuse to renew the existing licence, and to require the applicant to apply for a different type of licence comprising a smaller area. It has been represented to the Government that this section seriously affects security of tenure of licences, and the companies have asked that it should be altered or modified. The Government as I mentioned considers that the section should be retained, but that in special cases the Minister should have power to give an undertaking that the powers conferred by the section would not be used against a licensee during a specified period. Clause 19 therefore lays it down that the Minister, on the recommendation of the Director of Mines, may insert a covenant in a licence that the powers mentioned in section 40 will not be used against the licence during a specified period.

Under the original Act the term of an exploration licence was two years, for a prospecting licence four years, and for a mining licence 21 years. This Bill makes the term for exploration and prospecting licences five years, but makes no alteration to the term of mining licence. Although I think it is proper that the Government should be able, if a person holding an exploration or prospecting licence is not using it properly, to insist that he reduce the area and do something about it, I query whether we are not going a long way in this new subsection. As I read it, the Minister does not come into it until the Director of Mines makes a recommendation, which means that the new companies we want to encourage will ask straight away for new licences, and under the new subsection the Director of Mines will be able to recommend to the Minister that a covenant be put in the licence saying that the Government's rights under section 40(1) need not be insisted on for perhaps 100 years. As the Minister will be the person to insert the covenant, and we do not know who the Minister will be, I would like to know how much power we will be giving under this new subsection. It seems to me to be a tremendously wide power, and I do not want the committee to agree to it without realizing exactly what it is.

The Hon. Sir LYELL McEWIN (Minister of Mines)—I am glad the honourable member raised this matter, because I think it is necessary to make it clear that the whole purpose of the original legislation was to ensure that nobody sat on areas and did nothing about them, so certain periods were laid down. The period of an exploration licence was two years. The granting of that licence also depended on a recommendation of the Director of Mines, whom the applicant had to satisfy that he had the capital, and the geological and technical background, to be considered qualified to have a licence for the period. During that period he was obliged to spend a certain amount of money and the Director informed the Minister what work was likely to be done during the period.

It was provided that during two years a prospecting licence, for a term of four years, could be granted. After this, a mining licence for 21 years comes into operation to cover the period of productivity. We are now reaching a stage when more work is being done. Sometimes licences are surrendered and taken over by others. In such circumstances it is possible to make information available to the third party to enable him to exercise his rights under an exploration licence and to bring in technical assistance to put down a bore hole. This brings him into the category for obtaining another licence. Having put down a hole, the licensee may be going on with other exploration work and may not want to forfeit the exploration area, although he has taken out a prospecting licence over part of his exploration licence. In such circumstances, if proper reports and recommendations are made by the Director of Mines concerning the activity of the company, it is possible to allow other licences to operate without sacrificing the original rights conferred under an exploration licence.

The Hon. Sir COLLIER CUDMORE—As I understand the Bill, the right to hold two or more different licences is contained in clause 5, but that is not the point. My point is that the new subsection gives the Minister, on the recommendation of the Director of Mines, power to grant a licence for any period he wishes. I ask the Minister whether that is so?

The Hon. Sir LYELL McEWIN—The answer is simple. Will the honourable member tell me which clause gives the Minister authority to exceed, for instance, the 21 years of a mining licence? If he can show me that, I shall be prepared to look at it.

The Hon. Sir COLLIER CUDMORE—He has that power. It says so quite clearly, if the Minister will look at section 40 of the Act, which we are amending by clause 19 of the Bill. If a person asks for a renewal of a licence that he holds, the Minister has the right to say, "No, I will not renew that licence. I call upon you, if you want anything, to take a licence for a smaller amount and to carry on the work necessary under the provisions of that licence." There are three licences under the legislation: for exploration, prospecting and mining. They are for different periods—two, four and 21 years. When the time has expired, the holder applies for an extension. The Government reserves the power to say "No, you have had this big area for two years and are not doing anything about it so we will not give you another licence for that. We will give you a licence for a smaller area for four years and then you will have to carry out the terms of the Act." As the Minister said, the companies now coming to spend big money objected to that clause. They wanted it altered and it has been altered, but so widely that I cannot get away from this wording. If the Minister is in doubt about the clause, I suggest he reports progress so that we can find out what it means. As I see it, it is wide open for the Director of Mines to make a recommendation to the Minister that a covenant be included that the Government will not exercise its rights, under section 40 of the existing legislation, for 100 years. Am I right or wrong?

The Hon. Sir LYELL McEWIN—The honourable member is wrong. I invite his attention to section 40, which reads:—

Where a licensee applies for a renewal of an oil exploration licence or an oil prospecting licence the Minister may instead of renewing the oil exploration licence or oil prospecting licence, require the licensee to make an application for an oil prospecting licence or oil mining licence respectively as the case may be.

It was definitely laid down in the Act that an exploration licence had a maximum of two years, a prospecting licence four years and a mining licence was 21 years. A clause already passed provides for extensions in all those categories. There is nothing to say that the Minister can include a covenant for 100 years, and there is no inference to that effect. I do not think any administration would exceed the period provided here in principle, but certain discretions are allowed because of flexibility in handling these licences. The oil exploration licence has already been extended to five years, and can be extended further subject to the holder carrying out all the conditions of that licence. So it applies all the way through. In order that any company doing its job should not be prevented from carrying on its work, in those circumstances certain adjustments are possible, but not beyond the limitations provided in the other clauses.

The Hon. Sir COLLIER CUDMORE—The wording of new subclause (2) is:—

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—

that is, his right to demand that they take up a different licence—

will not be used on any renewal of the licence granted during a period specified in the covenant.

If that is not unlimited, I do not know the meaning of language.

The Hon. Sir LYELL McEWIN—I do not want to push anything through the Committee if honourable members are not satisfied. Although I am anxious that this Bill should go through as quickly as possible, I shall be happy to look at this further if it is agreed that the Bill can go through this week.

The Hon. Sir COLLIER CUDMORE—Yes.

Progress reported; Committee to sit again.

SHEARERS ACCOMMODATION ACT AMENDMENT BILL.

In Committee.

(Continued from September 23. Page 816.)

Clause 3—''What is proper and sufficient accommodation''—which the Hon. C. D. Rowe had moved to amend by striking out subclause (1) and inserting 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.''

The Hon. S. C. BEVAN—The Minister's reason for now desiring to amend the Bill (which it was anticipated would come into effect on January 1, 1956) is an agreement between the parties themselves that existing accommodation would not be affected. The Bill, however, affected all accommodation, even existing accommodation that had perhaps been standing for some years. Apparently there has been some representation and the attention of the Minister has been drawn to the resulting effect, which, it was felt, would be unfair and unjust. Under the circumstances I have no objection to the clause being amended in the terms now before us.

The Hon. C. D. ROWE (Minister of Industry and Employment)—The provision will apply only to accommodation erected after the passing of this Bill; it will not apply to existing accommodation.

The Hon. A. J. MELROSE—This amendment goes a long way towards meeting my objections, but I do not believe this matter can have been regarded as urgent or that it has been given proper consideration by the Stockowners' Association and the A.W.U. because it is practically identical with the Bill we had before us 10 years ago and in which I took some active part. The thing has simply lain dormant all that time and it is very unfortunate that it should have been introduced now for it will, in some small way perhaps, add to the burden of cost to the industry. Had it been gone on with 10 years ago when the industry was booming it would have been less onerous. The principle contained in this amendment might well have been applied to one or two other clauses in the Bill so that the alterations need not be effected in existing buildings. Generally speaking, shearers' accommodation is very satisfactory; in my own case, so satisfactory that the occupants immediately start to smash it up, which is proof, I think, that they are not accustomed to such good amenities. I reiterate my protest against this as a deliberate adding to the cost which, in view of the bad state of the wool market, the industry is not in a position to afford.

The Hon. F. J. CONDON—Mr. Melrose referred to the state of the wool market today, but this Bill is something that was agreed on in 1956.

The Hon. A. J. Melrose—It was agreed on 10 years ago.

The Hon. F. J. CONDON—That is all the more reason why the honourable member should agree to this amendment now. Although I think it is pretty hard to take I am not going to offer any further objections and will agree to the amendment.

The Hon. A. J. MELROSE—I hope I have not given the impression that I am not in favour of good living conditions for employees because I believe that one of the most potent factors towards decentralization is the provision of good conditions for people who are forced to live in the country. My only objection to this amendment is that its introduction should have been so delayed that it has been brought in at a time when people can afford it less than they could have when we had it before us 10 years ago.

Amendment carried.

The Hon. C. D. ROWE—I move to insert the following new sub-clause:—

(8a) Paragraph IV is amended by adding the following at the end thereof:—''Provided that where such latrine accommodation is provided by means of an efficient septic tank installation it may be less than one hundred feet from the buildings used for sleeping and for serving meals.

Since introducing the Bill I have had further representations from the Stockowners' Association that a certain member is desirous of

providing septic tanks for his shearers' quarters, and he says that if he does so it will not be necessary to have them 100ft. from sleeping quarters. The purpose of the amendment is to provide that where an efficient septic tank system is installed the distance of 100ft. shall not apply.

The Hon. S. C. BEVAN—I agree with the amendment as I believe it is in conformity with the agreement reached between the two parties. I understand that an amenities block which includes a septic tank system is being built at Yardea.

The Hon. A. J. MELROSE—I move:—

To insert "or similar" after "tank." There are such things as soakage wells which are equally efficient in disposing of effluent.

The Hon. C. D. ROWE—Whether the definition of septic tank would cover a soakage well I do not know but if the honourable member thinks it is necessary to amend the amendment in this way probably it would be wise if we inserted the words "or similar approved."

The Hon. A. J. MELROSE—I agree to that.

The Hon. F. J. CONDON—Ever since the Bill was introduced I have noticed that some members have been trying to defeat it.

The Hon. A. J. Melrose—Not defeat it, but improve it.

The Hon. F. J. CONDON—This matter has been before us for some time and has not been considered for only 10 minutes. In 1956 an agreement was entered into, but because the Attorney-General objected to certain suggestions he held the Bill over until this year. The Opposition has agreed to accept the Government's amendments, but now we have another put before us by Mr. Melrose and I do not know that I am prepared to accept this one which breaks down a principle and an agreement. I think we have gone far enough toward meeting the wishes of the Government.

The Hon. S. C. BEVAN—I do not like the phraseology of Mr. Melrose's amendment. In the first place, who is to approve of the accommodation? I cannot see anything in this which says that the Minister shall approve. If the effluent from a soakage well were not treated it could become offensive, so what is the good of having a prescribed distance if we insert another provision that breaks it down. I do not agree with Mr. Melrose's proposal as there is no provision for approval by any authority; therefore, I oppose his amendment.

The Hon. C. D. ROWE—I am not reflecting on Mr. Melrose's suggestion, but I think the proper course is for the Committee to report progress so that we may get the Parliamentary Draftsman to prepare a draft that will cover his proposal.

Progress reported; Committee to sit again.

COUNTRY HOUSING BILL.

Second reading.

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

That this Bill be now read a second time.

Its purpose is to authorize the Treasurer to make a grant of £368,019 to the South Australian Housing Trust. This sum represents the amount received by the State as its share of a grant of £5,000,000 to the States by the Commonwealth and which was, under the Appropriation Act recently passed, appropriated by Parliament to the Treasurer for miscellaneous purposes. It is provided by the Bill that the grant to the Trust is to be expended in the construction of houses in country areas which are to be let to persons of limited income. Thus, the expenditure of the grant will have two results. It will provide in the near future about 150 good and comfortable houses in country towns which will be let to people such as pensioners, widows with children, and others who cannot afford to pay full economic rents. In addition, this building programme, which will be in addition to the ordinary country programme of the Trust, will stimulate the country building industry and the many associated industries and thus have considerable effect upon employment in country towns.

The Bill provides that the houses are to be let at a rent not exceeding one-sixth of the family income of the tenant as determined by the Trust but that the minimum rent is to be £1 a week. However, it is realized that in years to come it may be desirable to change the amount of the minimum rent, and it is provided that the Governor may make regulations prescribing another minimum amount. It is also provided that the rents, less any necessary outgoings, are to be applied by the Trust towards the building of further houses. The Trust has offered to bear the cost of administering the houses from its other funds so that, with no commitments to meet for interest and repayment of principal, and these account for a very substantial proportion of ordinary Trust rents, the only outgoings will be for such things as rates and taxes, maintenance costs and the like. It follows that, from the commencement of the scheme, funds representing the major part of the rents, will be accumulating so as to permit the building

of further houses and that, in the course of time, more and more houses can be built.

Houses will be built in groups ranging from two to ten or more and, as it is shown that there is a demand for more houses in any towns, that demand can be met. It is expected that the initial expenditure proposed by the Bill will bring about the erection of houses in at least 30 towns.

The designs for these houses provide for either three or four rooms and it is expected that, almost without exception, they will be built of brick, stone or concrete. Each house will be well equipped with cupboards, bathroom, laundry, septic tank and so on. The houses will be detached and have their own allotments of land. If the accommodation in a house is insufficient to meet the needs of say, a widow with a family of children, it is proposed to add a sleepout which can be removed and used elsewhere when the need for its use has come to an end.

The trust is carrying out in the metropolitan area a very successful programme of small dwellings especially designed to cater for elderly people such as pensioners and, so far, about 350 of these dwellings have been built. Heretofore, the trust has endeavoured to meet the housing needs of pensioners and the like in country areas by allotting them ordinary houses of the smaller types. The proposals in the Bill will make it possible for a great deal to be done for elderly people in the country who, in many cases, have spent a great deal of their lives in a country town and who wish to live there for the remainder of their lives. The scheme set out in the Bill will make it possible for a substantial and ever-growing number of houses to be provided for such people at rents within their means. It will, at the same time, stimulate employment in country areas.

The Hon. S. C. BEVAN secured the adjournment of the debate.

ROAD CHARGES (REFUNDS) BILL.

Second reading.

The Hon. N. L. JUDE (Minister of Roads)—I move—

That this Bill be now read a second time.

This Bill enables the Treasurer to refund road charges paid under the amending Road and Railway Transport Act of 1956. This Act imposed a road charge based on weight and mileage, but was subsequently held by the High Court to be invalid. However, when the Act was brought into force a number of carriers obeyed it, made payments, and sent in the prescribed returns. Others ignored the Act, claiming that it was unconstitutional. The Transport Control Board took steps to enforce the Act and an undertaking was given to those hauliers who complied with the Act that, if the Act were subsequently held to be unconstitutional, Parliament would be asked to authorize a refund of any charges paid. This Bill is introduced to give effect to that undertaking. The Government still believes that, apart from the constitutional position, the road charge was reasonable and justified on the merits, and if the undertaking had not been given there would be no cause for refund. However, the Government appreciates the attitude of the carriers who observed the Act, and asks Parliament to pass this Bill so that justice will be done.

The Hon. A. J. SHARD secured the adjournment of the debate.

FRUIT FLY COMPENSATION BILL.

Second reading.

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

That this Bill be now read a second time.

Its purpose is to enable the Government to pay compensation for losses arising from the campaign for the eradication of fruit fly during the period since the passing of a similar Bill during the 1957 session. Six proclamations relating to areas in the vicinity of Port Augusta, Croydon, Clarence Park, Edwardstown and Walkerville were issued during that period to prevent persons from carrying away fruit from the infected areas. Following on the practice of other years, the Government proposes that compensation shall be given for loss arising from these measures, and is accordingly introducing this Bill.

The explanation of the clauses of the Bill are as follows:—Clause 3 provides for compensation for loss arising by reason of any act of the officers of the Department of Agriculture on any land within the areas defined by the proclamations and provides also for compensation for loss arising from the prohibition of the removal of fruit from any such land. Clause 4 fixes the time limit within which claims for compensation must be lodged as February 1, 1959.

The Hon. A. J. SHARD secured the adjournment of the debate.

METROPOLITAN AND EXPORT ABATTOIRS ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

Its purpose is to make provision for the sale within the metropolitan abattoirs area of meat slaughtered for export and which, while suitable for human consumption, is rejected by a

Commonwealth inspector as unsuitable for export. The general scheme of the Metropolitan and Export Abattoirs Act is that all stock which is slaughtered within the metropolitan abattoirs area for the purpose of providing meat for human consumption is to be slaughtered at the abattoirs of the Metropolitan and Export Abattoirs Board. The Act further prohibits the sale within the metropolitan abattoirs area of meat not slaughtered at the board's abattoirs although the Act provides for a number of exemptions from the prohibition.

As a result of the decision of the Privy Council in the case of O'Sullivan v. Noarlunga Meat Ltd. the legal position is that the provisions of the Act as regards slaughtering do not apply to an abattoirs registered as an export abattoirs under the Commerce (Meat Export) Regulations made by the Commonwealth under the Customs Act. When stock are slaughtered for export it invariably follows that a proportion of the meat is rejected for export for such causes as bruising although much of the meat so rejected is suitable for human consumption in a local market. It is obvious that the export trade in meat should be encouraged but it is a necessary consequence of that trade that there should be an outlet for the meat rejected for export which is suitable for local consumption.

The Government therefore considers that it is advisable to meet this position by giving export licensees a conditional right to dispose of reject meat within the metropolitan abattoirs area and this Bill provides a scheme to achieve this result. The Bill accordingly gives the right to sell reject meat in the metropolitan abattoirs area but subject to a number of conditions.

The stock from which the meat is derived must be slaughtered at an abattoirs registered pursuant to any right, licence or authority granted by the Commonwealth. These export abattoirs are, in fact, registered under the Commerce (Meat Export) Regulations which have been made under the authority of the Customs Act. The abattoirs may be situated within or outside the metropolitan abattoirs area. The stock so slaughtered must be the property of the licensee. Thus, it will not be open for a person to take advantage of the Bill unless he is the licensee of the abattoirs and he slaughters his own stock there. The meat in question must have been rejected by a Commonwealth inspector as unsuitable for export, but must have been inspected by an inspector of the Metropolitan and Export Abattoirs Board and branded as suitable for human consumption. The licensee must pay the prescribed inspection fee. If the abattoirs is situated within the metropolitan abattoirs area, the inspection will be made there. In other cases, the inspection will be made at a place appointed by the Board.

It is provided that the total weight of the reject meat which may be sold by any licensee within any period of 12 months ending June 30 is not to exceed 10 per cent of the total weight of the meat which is slaughtered for export by the licensee and is exported from the State during that 12 months as fresh meat in a chilled or frozen condition. That is, his local sales must not exceed 10 per cent of his exports.

A provision of this kind is considered to be necessary to provide a safeguard against the possibility of a licensee slaughtering stock which is clearly unsuitable for export but which, whilst purporting to be slaughtered for export, could after rejection, be sold on the local market. The licensee will, under this provision, be required to export the greater part of the meat slaughtered by him to entitle him to his quota on the local market.

After making inquiries as to what would be a fair percentage to fix as the reject quota for what may be termed the *bona fide* exporter, and after taking into account the variations in rejection rates which occur during different times in the years and the variations as between different categories of meat, the Government is of opinion that 10 per cent is a reasonable percentage. It is fixed with relation to a period of 12 months and will thus permit fluctuations above and below 10 per cent during the course of the 12 months. All categories of meat are included in the percentage and the percentage will apply to the total weight sold or exported, as the case may be.

In order to deal with a case where it becomes obvious at some stage during the 12 months that a licensee is exceeding his permitted quota, it is provided that, if the Minister is satisfied that such is the case, he may give notice to the licensee requiring him to sell, during such period as is fixed by the notice, in accordance with another and lesser percentage fixed by the Minister. Thus, the Minister could for a fixed period reduce the licensee's quota to, say, 7 per cent. Before giving notice of this kind the Minister is to consider any representations made by the licensee in the matter. Failure to comply with notice given to the licensee will create an offence. If a licensee honours the conditions set out in the Bill, this Ministerial power will, of course, not be used but it is considered that

such a power is necessary to prevent breaches of the conditions.

The Bill provides that every licensee is to keep records of the meat sold within the metropolitan abattoirs area and the meat exported, and that these records are to be available for inspection by the board. It is obvious that provision of this kind is necessary to enable the provisions of the Bill to be enforced.

It is also provided that, in any proceedings under section 70(b) of the Act, that is, for selling meat in the metropolitan abattoirs area that is not slaughtered at the metropolitan abattoirs, it will be a defence for the defendant to show that the meat was sold in accordance with the Bill. The facts to establish that the defendant is entitled to the exemption from section 70(b) created by the Bill will only be within the knowledge of the licensee or the person seeking to claim the exemption given by the Bill, and it is therefore proper to provide that the proof of these facts should be a matter for the defence.

The Hon. S. C. BEVAN secured the adjournment of the debate.

WEIGHTS AND MEASURES ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

Under section 8 of the Weights and Measures Act, the Minister of Lands may, with the approval of the Governor, prescribe new denominations of standards, provided that such new denominations of standards—

Shall be either equivalent to or multiples or aliquot parts of the standards of weight and measure for the State or shall be equivalent to or multiples of each coin of the realm for the time being.

The existing standards, apart from coins, relate to the measurement of length, volume and weight, there being no standard for measuring surface area. From time to time the Government has been asked to prescribe a standard for testing leather measuring machines but no action could be taken owing to the fact that the required standard bears no relation to an existing standard.

Clause 3 of the Bill amends section 8 of the Act by deleting the words which limit new standards to multiples or aliquot parts of existing standards. The amendment will bring the legislation in this State into line with that of Victoria and some of the other States and enable new standards to be prescribed when they are needed.

The Hon. F. J. CONDON secured the adjournment of the debate.

FIRE BRIGADES ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

Its purpose is to increase the borrowing powers of the Fire Brigades Board under section 26 of the Fire Brigades Act. Section 26 of the Act provides that the board may, with the consent of the Minister, borrow money upon the security of any freehold or leasehold lands of the board for the purpose of enabling the board to carry out its powers and duties under the Act. The money borrowed under the section is not at any time to exceed £25,000. Additional borrowing powers are given by sections 27 and 27a.

Section 27 authorizes the board, with the consent of the Minister, to borrow up to £25,000 on the security of debentures for the purchase of plant, machinery or apparatus. Section 27a provides that the board may, with the consent of the Minister, borrow up to £100,000 for the purpose of providing housing accommodation for the board's staff. These loans can be secured by the issue of debentures or by mortgage upon the land of the board. At June 30, 1958, the balance on loans raised by the board was as follows. Under section 26, £9,275 was outstanding whilst £8,220 was owing under section 27. No loans were outstanding under section 27a as, under existing conditions of employment, it is now not considered necessary to provide residences for employees.

The board's future building programme includes the building of a number of new stations in country towns and the re-siting of other stations in the metropolitan area. The board has suggested that, in order to finance this programme, its borrowing powers under section 26 should be increased and that the present borrowing limit of £25,000 under the section should be increased to £100,000. The Government is of opinion that, in view of the building programme proposed by the board, its borrowing powers under section 26 should be increased as suggested by the board. Accordingly, the Bill provides that the borrowing limit fixed by section 26 is to be increased from £25,000 to £100,000.

The Hon. F. J. CONDON secured the adjournment of the debate.

ADJOURNMENT.

At 5.10 p.m. the Council adjourned until Thursday, September 25, at 2.15 p.m.