LEGISLATIVE COUNCIL.

Tuesday, September 30, 1958.

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

QUESTION.

WHEAT PRICES.

The Hon. S. C. Bevan for The Hon. F. J. CONDON (on notice)—

1. What price does the Government anticipate the miller will have to pay for wheat milled for export having regard to the fixed price of wheat for home consumption of 14s. 6d. per bushel?

2. Will the price be fixed on the basis of wheat sold to New Zealand or on that sold overseas?

3. If wheat sold overseas falls below 14s. 6d. per bushel, will the miller receive the benefit of the overseas price?

The Hon. C. D. Rowe for the Hon. Sir LYELL McEWIN—The price that millers have to pay for wheat for export flour is determined by the Australian Wheat Board and not by the South Australian Government. At the request of South Australia, the question was discussed at the last meeting of the Australian Agricultural Council. At this meeting it was learned that the Australian Wheat Board had recently decided to supply wheat to millers for export flour at not greater than the board's current f.o.b. selling price for wheat for export. As agreed at this meeting the chairman of the Agricultural Council (the Honourable Minister for Primary Industry) communicated with the Australian Wheat Board informing them that the Agricultural Council had raised this matter and had expressed the view that it would like consultation with the Ministers concerned prior to any change of policy. The Government has not been informed of any distinction between wheat sold to New Zealand and any other export market.

MINING ACT AMENDMENT BILL.

Read a third time and passed.

OIL REFINERY (HUNDRED OF NOARLUNGA) INDENTURE BILL.

Second reading.

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

That this Bill be now read a second time.

This Bill has been introduced to ratify the Indenture made on August 14 between the Government and Standard Vacuum Refining Company (Australia) Proprietary Limited, relating to the establishment of an oil refinery. Negotiations concerning this project were commenced by the Government nearly three years ago, and came to fruition in the early part of this year when the company made a definite decision to proceed with the establishment of the refinery. The Indenture is for the purpose of granting to the company some rights and services which it requires for the refinery. The company, on its part, binds itself to build the refinery and also to construct at its own expense the anchorage and other marine facilities which will be required for the tankers bringing in the oil. The requests made by the company are moderate and reasonable, while the project will be of very great benefit to the State and undoubtedly lead to further important undertakings.

The explanation of the Bill and the Indenture is as follows:—Clause 3 provides that the Indenture is ratified and approved and will have statutory effect. Clause 4 provides that the Electricity Trust shall have power to supply steam to the company and to build plant for that purpose. At one stage the company thought it would require steam from the Electricity Trust, but it is now uncertain whether it will be required. However, the clause has been retained as it can do no harm and may ultimately be necessary.

Clause 5 deals with the Local Government rates payable by the company. It is always difficult to determine a fair basis for rating a large industrial undertaking which occupies a considerable area of land inside a council's area and comprises much valuable plant, but does not use services provided by the council to a large extent. The oil company was desirous of knowing what its liability for rates was likely to be, and as the result of negotiations between the Government, the company and the district council of Noarlunga, it has been agreed that the company will pay £5,000 a year for the first two years and for each subsequent year the sum of £10,000.

Clause 6 gives the company the right to use and occupy the foreshore adjacent to the refinery site for the purpose of the operation of the refinery. The company has already bought the land for the refinery at a site in the Hundred of Noarlunga north of O'Sullivan's Beach, and proposes to construct an anchorage for tankers in the gulf west of the site. A submarine pipeline will be laid from the anchorage across the seabed and the foreshore to the refinery. For the purpose of

laying and maintaining the pipe and the conduct of other operations connected with the unloading of tankers it is necessary that the company should have exclusive rights to use and occupy the foreshore and to maintain structures thereon. The foreshore in question is between Halletts Cove and O'Sullivan's Beach and is for the most part rough and rocky.

Clause 7 is ancillary to clause 6. It makes it an offence to trespass on the foreshore adjacent to the refinery site, or on any berths, wharves, jetties or landing places on or adjacent to the foreshore, or on the waters within fifty yards of any such berth, wharf, jetty, landing place or foreshore. Clause 8 provides that any proceedings or arbitrations arising out of an agreement may be taken and carried on by the Government under the name of "The State of South Australia".

These are all the matters dealt with in the clauses of the Bill. I turn now to the Indenture which is in the Schedule to the Bill. The first operative clause is clause 2, which binds the Government to introduce a Bill to approve and ratify the Indenture. If such a Bill is not passed before the first of January, 1959, the other clauses of the Indenture will not come into operation. Clause 3 provides that the Indenture is subject to the company's being able to obtain import licences for any plant, equipment and materials required to be imported for the construction of the refinery, and also to the provision by the Commonwealth Bank of the foreign exchange required to make payments for such imports, and payments under contracts for the design and construction of the refinery.

Clause 4 sets out the obligation of the company to build a refinery within five years after the passing of the Bill. The refinery must have a designed capacity of between 30,000 and 40,000 barrels of crude oil a day and must comply with modern oil refinery practice and standards. The company will not be liable for delay in constructing the refinery if the delay arises from causes beyond the reasonable control of the company. Although this provision has been inserted, the Government is informed that after the construction of the refinery commences, operations are likely to proceed very rapidly and there is no special reason to anticipate delays.

Clause 5 sets out some obligations of the State as regards the provision of facilities and services. The first is that within three years after the building of the refinery commences, the State will arrange that the houses required by the company, not exceeding 250, will be built in the proximity of the refinery, and that the houses will be available to employees of the refinery as tenants or purchasers on the usual terms offered by the Housing Trust. The Government also undertakes to provide a suitable heavy duty road to connect the refinery site with a main road running north towards Adelaide. Another obligation of the Government is to construct and maintain a railway connecting the refinery with the South Australian railway system. The refinery will require electricity up to a maximum load of 10,000 kilowatts and may require steam not exceeding 150,000 lb. an hour at a pressure of 150 lb. per square inch, and it will be the duty of the Government to arrange that the Electricity Trust will meet these requirements. The Government also promises to supply the company with its reasonable requirements of fresh water not exceeding 2,000 gallons a minute on the terms and conditions laid down by or pursuant to the Waterworks Act.

Clause 6 sets out the right of the company to lay pipes on roads and railways, and to construct an anchorage, submarine pipelines and other marine installations, and take and use sea water. The provision as to laying pipes gives the company, in effect, an easement over roads and railway lands for the purpose of laying and operating pipelines between the refinery site and Birkenhead and Osborne. Where pipes are laid on any road, the work must be done in accordance with plans and specifications approved in writing by the Minister of Roads after consultation with the council in whose area the road is situated. Where pipes are laid on railway lands the work must be done in accordance with plans and specifications approved by the South Australian Railways Commissioner. The company is not given any easements over private lands. If these are required the company will buy them. As regards marine installations, the company is given the right to construct and maintain, in proximity to the refinery site or on land owned by the company, offshore berthing accommodation, wharves, jetties, landing places and submarine pipelines in accordance with plans and specifications approved in writing by the South Australian Harbors Board.

Clause 7 deals with the possibility that a new road may be found necessary on the eastern boundary of the refinery site. The company asks that if such a road should be

constructed, the company should not be asked to pay for it. As any such road would probably not be within a municipality or township, it is not probable that the company would be legally liable to pay any share of the cost, but the company asked to be protected against such liability and the Government considered the request reasonable. Clause 8 provides that ships using the company's marine installations will not be subject to the compulsory pilotage laws. As the company's anchorage will be in the open sea, there will not be the same need for a pilot as in the close waters of a port. Clause 8 also provides that ships using the company's marine installations will not be chargeable with tonnage rates but will be chargeable with port dues. Tonnage rates are levied against ships when they berth at wharves and jetties provided by and maintained at the cost of the Harbors Board. As the company's tankers will not be using any such wharf or jetty it seems reasonable to exempt them from tonnage rates. The ships will, however, be chargeable with port dues, which are a general contribution towards the cost of maintaining ports and aids to navigation including such as beacons, buoys and lights.

Clause 9 provides for the payment of inward wharfage on the crude oil which will be imported by the company. Wharfage is ordinarily payable not only on goods landed at a wharf or jetty, but also on all goods landed on or over a foreshore within a prescribed distance of any wharf or jetty. The obligation to pay does not therefore depend on using a wharf. At present, the Government collects wharfage on imported petrol and if no wharfage were charged on imported crude oil, the establishment of the refinery would result in a large loss of revenue. The Government has therefore stipulated for the payment of wharfage on crude oil landed by means of the company's marine installations, but it will only be payable on an amount of crude oil equal to the volume of petroleum products manufactured from such oil and distributed directly from the refinery by land or shipment to Port Adelaide. Products shipped to ports other than Port Adelaide will be charged with wharfage at those ports. The proposed rate of wharfage at Port Adelaide is 4s. 6d. a ton so long as the wharf and jetty facilities for unloading oil at Birkenhead continue to be used by overseas tank ships. Thereafter it will be 4s. 9d. The reason for the increase in the rate when the Birkenhead facilities cease to be used is that if these facilities are no longer used the Harbors Board will incur a loss of revenue from tonnage rates without a corresponding reduction in expenses, because it will still be chargeable with interest and sinking fund on the cost of the facilities.

Clause 10 of the Indenture provides that outward wharfage will not be chargeable on petroleum products shipped from the company's marine installations. This is a concession which the Government considers justified by the importance of the industry and the fact that the company is providing its own marine installations. Clause 11 deals with the question of inward wharfage at ports other than the company's anchorage. It is provided that petroleum products produced at the refinery and transported by sea to Port Adelaide will not be chargeable with inward wharfage at that port unless the Harbors Board is required to provide special facilities for unshipping or landing the products. The reason for this exemption is that the shipment of petroleum products by sea from the refinery to Port Adelaide is regarded merely as a means of local distribution of a product on which wharfage has already been paid. Petroleum products produced at the refinery and transported to other South Australian ports, *e.g.*, Port Pirie and Port Lincoln—will be chargeable with inward wharfage at those ports at the rate for the time being in force (7s. 6d. a ton at present). As I indicated earlier, an amount of crude oil equal to those products will not be chargeable with wharfage when pumped from tankers at the anchorage to the refinery. Clause 12 provides that except as expressly provided in this Indenture the company will not be exempt from wharfage and other like charges. Clause 13 contains an undertaking by the Government that when purchasing stores for public use it will give preference to products of the refinery in accordance with the Government's usual policy of giving preference to goods manufactured within the State.

Clause 14 deals with the price at which the products of the refinery will be sold. It provides that the prices for these products will not be higher than the landed cost at Adelaide of comparable products available to the company from its overseas supply sources in the Persian Gulf. Clause 15 provides that any assignment of the company's rights or liabilities under the agreement will require the consent of the State, but such consent must not be unreasonably withheld. However, no consent will be required for the assignment of any rights of the company to another company

more than 50 per cent of the issued shares of which are owned directly or indirectly by Standard Vacuum Oil Company of the State of Delaware, U.S.A. The reason for this is that the parent company in U.S.A. may decide to form a new company to build and operate the refinery. In such a case the new company would need to take over the benefits and duties conferred or imposed on the Standard Vacuum Refining Company by the Indenture.

The Hon. Sir Collier Cudmore—Clause 9 (3) says: "If during the period of this indenture." Can you tell us what is the period of the indenture?

The Hon. Sir LYELL McEWIN—I am not aware of any period.

The Hon. Sir Collier Cudmore—Nor am I. I wonder what that means?

The Hon. Sir LYELL McEWIN—I would not expect a specific period, and it is probably a matter of phraseology. I shall be glad to pursue any matter of detail and provide more information later. In commending the Bill I would say that it is a very important step forward in the industrialization of this State. If I may use that ever present phrase, it will result in decentralization of industry in bringing fresh avenues of employment and a further guarantee of employment and prosperity in the future. I have much pleasure in submitting the Bill for the consideration of the Council.

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

SHEARERS ACCOMMODATION ACT AMENDMENT BILL.

In Committee.

(Continued from September 24. Page 868.)

Clause 3—"What is proper and sufficient accommodation"—which the Hon. C. D. ROWE had moved to amend by inserting the following new subclause:—

(8*a*) 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.

which the Hon. A. J. MELROSE had moved to amend by inserting after "tank" the words "or similar approved."

The Hon. A. J. MELROSE—I ask leave to withdraw my amendment with a view to moving another.

Leave granted; amendment withdrawn.

The Hon. A. J. MELROSE—I have already objected to the restricting of this provision by the words "septic tank." I do not think we have had any definition of a septic tank. My objection to the Bill has been that it over-specifies things and, with great respect to the originator of the Bill, brings the legislation into ridicule. I move—

To delete "installation" and insert in lieu thereof "or bacteriolytic tank or other method of treatment approved by the Central Board of Health."

I think that covers the position reasonably well and is an improvement on what has been proposed.

The Hon. C. D. ROWE (Minister of Industry and Employment)—I have had an opportunity to peruse the amendment moved by Mr. Melrose which I think clears up the difficulty we felt with regard to his previous amendment. If the amendment is accepted the clause will read:—

Provided that where such latrine accommodation is provided by means of an efficient septic tank or bacteriolytic tank or other method of treatment approved by the Central Board of Health it may be less than 100 feet from the buildings used for sleeping and for serving meals.

I think that will meet the position and the Government is prepared to accept it.

The Hon. A. J. Melrose's amendment carried; the Hon. C. D. Rowe's amendment (as amended) carried.

The Hon. A. J. MELROSE—When speaking on the second reading I expressed my firm conviction that this legislation should not be on the Statute Book at all, but that the matter should be dealt with in the Arbitration Court. It is an agreement between the Stockowners' Association and the union. Subclause (11) deals with refrigeration and says that between October 15 and May 15 refrigeration must be supplied in shearers' quarters. In parts of the State it will probably be so cold on October 15 that it will not be needed. It is a pity that it is not provided that refrigeration may be supplied on demand. For instance, in my part of the State, refrigeration was not wanted. Then there is a provision dealing with the number of clothes props to be provided. That is quite unnecessary. This sort of legislation will not redound to our credit. Anybody looking at our Statutes and finding legislation about clothes props and clothes lines will hardly be able to regard the Legislative Council as a body spending its time and earning its money on the consideration of worthwhile proposals. I want these opinions

recorded. I hope that the Government will pay some attention to what I have said.

Clause 3 as amended passed.

Remaining clauses (4 to 6) and title passed.

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

INTERSTATE DESTITUTE PERSONS RELIEF ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 25. Page 916.)

The Hon. A. J. SHARD (Central No. 1)—This is a beneficial remedial measure. Its main provision is that, where a person is in South Australia and is having enforced against him a maintenance order made in another State, that person may apply here to have the order varied if there is good reason to vary it. For example, recently a migrant living in Royston Park had enforced against him an order made in Sydney for the maintenance of his wife. At the time that order was made, he was earning in that State an abnormally high weekly income and the order was for about £15 a week. Here in Adelaide he had had difficulty in obtaining employment and his weekly income was less than the amount of the order. He was faced with gaol for failing to comply with the order although he did not have the money to pay. Furthermore, the court here, though sympathetic, had no power to vary the order, even though the income upon which the order was based no longer existed. The man in question did not have the money to go to New South Wales and live there while proceedings were brought in that State to vary the order. This Bill will provide a remedy for that situation and should command support.

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

COUNTRY HOUSING BILL.

Adjourned debate on second reading.

(Continued from September 25. Page 916.)

The Hon. C. R. STORY (Midland)—This Bill, though small, is important. It authorizes the Treasurer to pay £368,019 to the Housing Trust for the purpose of providing homes for persons in the lower income bracket. The Minister, when introducing the Bill, gave a full explanation and I do not propose to go over that ground again. I am, however, pleased to see that the Government has made this money available to the Housing Trust for the purpose of providing homes for people in the lower income bracket, such as pensioners, war widows and war pensioners.

The main points of interest are the number and cost of the homes, the list of country towns where the homes are to be built, and the rental payable. The number of homes proposed is 150 and the cost from £2,000 to £2,500 each, including the cost of the land. The towns that will benefit from the establishment of these homes are listed in the quarterly report of the Housing Trust, and are in areas as far apart as Angaston, Port Augusta, Naracoorte, Loxton, Renmark, Peterborough, Port Lincoln, Bordertown, Snowtown and Kadina, to mention just a few.

Already 10 houses have been completed, nine of which are occupied. I inspected some homes and they are very nice indeed. They are of solid construction, many being built of Mount Gambier stone, brick or cement brick. Any one of us would be pleased to live in them. It must be a source of great joy to people in their declining years to have homes such as these in which to live at a rental within their means—one-sixth of the family income with a minimum of £1 a week. The Housing Trust is to be complimented on the design of the homes. Judging by those I have seen, I think the trust has done a very good job with the money available, and is to be commended for the luxuries it has managed to include in these homes. This is one of the most worth while housing projects that the Government has entered into in recent times and I know that the trust has received letters of appreciation from some of those who have already occupied the homes for which they are very grateful indeed. The houses should provide that measure of security for war widows, destitute widows and people who have been reduced to such circumstances that, although they can just manage to get a home under these provisions, they might otherwise be living in one room and paying far too great a rent for it.

Although the Bill provides that the rents collected are to be paid into a fund to keep the scheme going so that more houses may be built, I think the Government would be well advised to add to the fund each year and thereby increase the number of houses, for this appears to me to be one of the best things that we can do to house people who are in the lower income brackets. I have much pleasure in supporting the Bill, which is one of the best pieces of housing legislation that I have seen since becoming a member of Parliament.

The Hon. E. H. EDMONDS (Northern)—I wholeheartedly support the Bill, and agree with Mr. Story that it is an effort to give relief to a section of the community that has earned and richly deserves it. Throughout the State there are people who have spent their lives working in the interests of the towns and districts in which they have lived and who have reached through force of circumstances that stage when it is desirable that they should have the privilege of spending the remainder of their lives in some degree of comfort.

The money to be used in this scheme is part of the grant made by the Commonwealth Government to the respective States, and it was no doubt given because of the pressure brought to bear by the States submitting schemes on behalf of the class of people for whom we are now concerned. There is an inherent characteristic in the average Australian, a desire to enjoy a sense of independence in the closing years of his life. By force of circumstances a great many Australians are forced to accept living conditions which, while possibly the best available, do not meet their desires, and this proposal seems to meet the circumstances of such cases. There is no doubt that people who have a home of their own, no matter how humble it may be, enjoy a sense of independence and a feeling that they are not an encumbrance upon the rest of the community.

I had the opportunity some years ago to inspect homes provided for old-timers of the Alice Springs district, and although these houses were of a decidedly humble nature one could not but observe the sense of appreciation on the part of the people privileged to occupy them. The predominant thought seemed to be, "This is our home. We are independent and looking after ourselves." They were most appreciative of the opportunity afforded them. I am sure that a similar spirit will prevail in respect of the homes under consideration. The prescribed rentals would seem to be within the reach of the people we are seeking to serve. The Bill is a splendid token of our appreciation of what we owe to our pioneers and I heartily endorse it.

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

METROPOLITAN AND EXPORT ABATTOIRS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 24. Page 919.)

The Hon. W. W. ROBINSON (Northern)—At the outset I commend the Government for the introduction of this amending Bill, which enables some slight competition to take place in the export trade and the distribution of meat in the metropolitan area. I also pay a tribute to that institution which has carried out in a very efficient manner the task allotted to it in slaughtering stock not only for home consumption, but for export. I have read, and I remember to some extent, when killing for export took place in separate premises at Port Adelaide. The amalgamation of the Port Adelaide Produce Depot with the abattoirs at Gepps Cross brought quite an uplift to the export killing inasmuch as it enabled the retention of key men in the industry throughout the year, whereas under the old system, which applied until, I think, 1933, when the export season was finished the men had to be discharged and re-engaged the following year.

I feel sure that as a Council we appreciate the work that the abattoirs have done and in no way do we criticize the administration or its work, except that at times we have found it not quite large enough to deal with the slaughtering of lambs during the export season. The conditions offered under this amending legislation are nearly similar to those offered for the establishment of works at Wallaroo or Kadina, with the addition that works may be established in the Metropolitan Abattoirs Area, *i.e.*, within 50 miles of Adelaide; but it allows the distribution within the metropolitan area of reject meat to the extent of only 10 per cent of the total weight of meat exported by the licensee.

Mr. Bevan seemed to suggest, and was quite alarmed, that the works should be allowed to come into competition with the existing abattoirs. However, I suggest that, if this meagre allowance of meat that can be distributed in the metropolitan area—and only during the export season—is likely to have a crippling influence on the Gepps Cross abattoirs, there is something vitally wrong with them. He also blamed the producers for the glut at the abattoirs in September. "Normally," he said, "The export lamb season commences on August 1, but producers hold back supplies to gain a little extra weight." It will be remembered that August was a very wet, cold month, and it is not possible to get a lamb in full bloom without some sunshine. Moreover, all the early districts missed rains until early in July, and the whole of the State's pastures were subjected to frost after that date. Producers will not withhold lambs after they are ready, for the earlier sales command much the higher prices on the home markets. Mr. Bevan also went on to say, "It is

reasonable to think that under this legislation private enterprise would establish works in the metropolitan area and enter into keen competition with the metropolitan abattoirs. This would be detrimental to the general public and to the existing abattoirs, which would undoubtedly feel the pinch.'' I suggest that if the provision to market as rejects during the export season 10 per cent of the total exported will enable a company to outbid the present well-established works, there must be something radically wrong with its set-up. It would still have 98 per cent of the home supply.

As a past producer and one still interested in the industry, I welcome the breaking down of the monopoly which has obtained for so long. I believe that competition puts a works on its toes; not only would it be more efficient, but treatment charges would also be affected. The charge for killing mutton for export is 2 1/16d., which amounts to 11s. 2d. for a sheep weighing 50 lb. and 13s. 7d. for one weighing 60 lb. For lambs for export the charge today is 2 13/16d. a lb. as against the seven-eighths of a penny in 1944. A lamb weighing 32 lb. would cost 7s. 6d. to slaughter and for one weighing 36 lb. the charge would be 8s. 5d., compared with 2s. 7d. in 1944. For cattle weighing 600 lb. at a charge of 2¼d. a lb. the total would be £6 17s. 6d. and for a beast weighing 800 lb. between £8 and £9.

The Hon. S. C. Bevan—Will the activities of private enterprise reduce killing costs?

The Hon. W. W. ROBINSON—Where competition takes place, as in Melbourne, the treatment charges are lower than they are here. Charges here have been increased very materially, particularly last year because of week-end killing. During the past year the works operated 44 week-ends, including 38 Sundays on double pay. Melbourne enjoys the advantage of having many competitive works such as Vesteys, Angliss's, Borthwick's, Sims Cooper, the abattoirs at Newmarket and many smaller works killing for butchers' own supplies. They have no restrictions whatever in Melbourne, provided the abattoirs comply with the hygienic standards set. A butcher can kill his own stock if he complies with those conditions. To give an idea how favourable their charges are, Melbourne buyers were able to purchase in competition with the local people here 40,100 sheep and lambs at our abattoirs and pay the high railway transport charges to Melbourne, and export some of their purchases. I do not know how many were sent by road. The charge to Melbourne was at least 10s. a head. That shows that they can compete very satisfactorily with South Australia.

The Hon. S. C. Bevan—What keeps meat prices so high in Victoria?

The Hon. W. W. ROBINSON—I have no information on that. Many lambs which would otherwise come to Adelaide from the South-East are sent to Portland in Victoria for treatment. With the pasture development that must soon take place south of Adelaide it is essential that more slaughtering facilities should be available. Export lambs at the Metropolitan Abattoirs are treated after those for local consumption. That means they are held around the abattoirs for a couple of days and thus lose not only some weight but also some of their bloom. There is a great shortage of meat in many parts of the world. With the fall in local wool prices producers will be seeking an outlet for their stock in the form of meat, and therefore it is essential that sufficient killing facilities are available. Unfortunately, one of the cargoes shipped to America recently in the *Devon* was rejected not because of the quality of the meat but because of its preparation. Under the microscopic inspection to which it is submitted over there some foreign matter was discovered in the form of dust particles. The Abattoirs Board in its contract with exporters is now inserting a clause to the effect that it will accept no responsibility whatsoever in regard to the processing of the meat. If a cargo is rejected it will be at the risk of the exporters and not the Abattoirs.

The Hon. S. C. Bevan—The meat has to be passed by Commonwealth inspectors.

The Hon. W. W. ROBINSON—It may be satisfactory to their requirements, but not to those of the Americans. Over the years the growth of the Abattoirs has been tremendous and for the information of members I submit the following figures showing the weight of stock killed for local trade:—Beef, 54,345,000 lb. (50.43 per cent), mutton 25,900,000 (24.03 per cent), lamb 17,567,000 (16.3 per cent), pork 4,573,000 (4.24 per cent) and veal 5,385,000 (5 per cent). The numbers treated during 1958 for local consumption were as follows:—Lambs 609,669 and sheep 780,016, an increase of 83,000 lambs and 230,000 sheep compared with the previous year. The numbers treated for export were as follows:—Lambs 554,529, sheep 386,129 and cattle 118,325. The number of lambs and sheep treated for all purposes was 2,320,343.

That is a colossal number and it can be said that our Abattoirs are the largest killing works in Australia. It was thought by the late Mr. G. Pope, who was then manager of the Produce Department, that when our killing reached about 1,500,000 the works would become unwieldy, but today we are killing 2,320,000. The profit of the Abattoirs during the last three years was as follows:—1955, £127,193; 1956, £6,864 (this fall was due to a seven weeks' strike at the Abattoirs) and last year the profit was £46,730. The net value of land, buildings and plant owned by the board, including capital works in progress, increased to £1,105,437, an increase of £87,892 for the year. I am sure it will be agreed that that is a very small amount compared with the great volume of money invested in the sheep industry in South Australia. I should think it would amount to at least £400,000,000; so I therefore suggest that the industry is worth greater consideration in the treatment of its stock.

The source of the board's funds is as follows:—Advances by the Treasurer £996,000, from other sources £12,000, a total of £1,008,000, less repayments by the board £476,750, leaving a balance of £531,250 owing. Accumulated funds include sinking fund £450,188, general reserve to June 1956, £205,715, and surplus for the year £46,730 (total of £252,445), making a grand total of £702,633. It will therefore be seen that the works are in a sound financial position. With the growing population in South Australia and the extension of the Abattoirs area to include Mitcham, Salisbury and Elizabeth, greater slaughtering facilities must be provided. However, I cannot see any great inducement for the setting up of additional works when provision is made for the distribution of only 10 per cent of the meat exported. I believe that this Bill will break down the monopoly which has been enjoyed and for which the producers have had to pay over the years. I feel that with the experience gained we may hope for some further extension later. This will enable such works as the Noarlunga Meat Works to take part in the export trade and to distribute its rejects in the metropolitan area. Any other company that has a certain distribution for local consumption may also take advantage of this provision.

On behalf of the growers I express appreciation of the small measure of improvement that has been introduced by this Bill. I feel we can hopefully look forward to better facilities in the future.

The Hon. Sir FRANK PERRY (Central No. 2)—I was interested to see the changed attitude on this matter by the Government and by some honourable members, and I think their attitude is to be commended. The industry itself must be the first consideration. The industry is not merely the slaughtering at Gepps Cross or Noarlunga, but the raising of fat lambs, using them on the local market and, wherever possible, allowing their export overseas. That being so, I think the matter should be tackled on those lines. I am very glad of the changed attitude of the Government in introducing this Bill, which will allow the extension of facilities for the export of one of our primary products. The fact that we have only one killing centre here is detrimental to the industry. We can now open up another centre as the result of a relaxation of the very stringent regulations protecting Gepps Cross abattoirs, and as it will increase our exports it is all to the good.

As Mr. Robinson has mentioned, 10 per cent over a short period of a year represents only small relaxation. He went on to describe the facilities at the abattoirs and mentioned that the capital value was £1,100,000, but I would have thought it was considerably more.

I support the measure for one reason: it provides a facility for the producer. We do not want to allow anything to stifle the main industry, and I think the introduction by the Government of this legislation is a step in the right direction. Regarding the rejection of the export parcel by America, I point out that American regulations controlling foodstuffs are very stringent. It is difficult to buy anything there which is not covered and protected from the human hand. Everything must be enclosed in packets, and unless we pay strict attention to our export lines to America, particularly meat, we will strike difficulty. I only hope that the clause which the abattoirs is putting in its proposed agreement with the exporters will be overcome; it must be overcome somewhere along the line. It seems to me that a share of the responsibility cannot be taken away from the abattoirs when it controls the handling and shipping of meat, and it appears that the abattoirs is rather high-handed in pushing the whole responsibility on to the exporters. However, I have no doubt that this matter will be satisfactorily ironed out between the abattoirs and the sellers.

The step we are now taking will allow the development of the Noarlunga abattoirs and

provide an outlet for considerably more of our fat lambs for export. I support the Bill.

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

FRUIT FLY COMPENSATION BILL.

Adjourned debate on second reading.

(Continued from September 25. Page 921.)

The Hon. E. ANTHONEY (Central No. 2)—The fruit fly menace is something we have had for some years and it does not seem to diminish. Every year we pass a Bill to deal with the matter, and it has now cost the State well over £1,000,000 in eradication and compensation. Of this amount £400,000 has been paid as compensation and the balance represents the cost of eradication. I think we have all been hoping that some parasite might be introduced to deal with the fruit fly, but I have not heard anything about that lately. Those measures were successful in the case of prickly pear and other scourges that we have had in various parts of Australia, but we have not been able to get a parasite that will effectively deal with fruit fly.

The means adopted by the department have been successful in some respects. For instance, I do not think there has been a recurrence of fruit fly in the same place two years running, and I think the Queensland fly has been stamped out altogether. This last visitation was by the Mediterranean fruit fly which I do not think has ever appeared before in South Australia. It appears to have come to us from Western Australia, and as a result the department has erected road blocks in various parts of the State to try to keep it out. I realize that it is a very difficult thing to police. The department is doing all it possibly can by visiting and checking on trains and at airports and other places. Eradication measures are costly, but on the other hand if the fruit fly were allowed to go free it would be very serious and might in time completely wipe out our fruit growing areas, which would be a tremendous loss to the State.

The Bill is introduced for the purpose of authorizing the Government to compensate those people whose fruit is taken or whose property is damaged, and I feel we can do nothing else but support it. I think that where possible the methods of the people engaged in the eradication of fruit fly should be carefully supervised. Every care should be taken to see that no damage is done to people's property, and I hope that the department is taking every possible precaution in that respect. Better types of men are now being employed, and no doubt they have got to know the job better. A person whose property is going to be visited should be notified beforehand. In the past the gangs have simply begun operations, taken fruit and sprayed plants with spray which has killed some plants altogether. I consider that much damage has been done that we have not heard about. Every precaution should be taken by the department to see that its servants do not unwittingly cause unnecessary damage. I support the measure in the hope that a method will soon be devised by the Commonwealth Scientific and Industrial Research Organization or some other research body to stamp out fruit fly altogether.

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

FIRE BRIGADES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 24. Page 871.)

The Hon. Sir COLLIER CUDMORE (Central No. 2)—This short measure simply increases the amount which the Fire Brigades Board may borrow, but it is not without interest for several reasons. The first thing that strikes me is that this sum of £25,000 was fixed in 1913 and has not been altered since, although there has been a considerable alteration in the population of this State, in the responsibilities of the Fire Brigades Board, and in the value of money. The legislation brings up to date the borrowing power in proportion to the property and responsibilities of the Fire Brigades Board. However, in presenting the Bill to us the Minister did not put it on that ground at all, and none of those things were mentioned. What has been put to us—and quite rightly—is that the amount owing at present under section 26 is only £9,275. It is not that the board has run away with its existing powers or reached its limit and wants more. The reason given to us is that the board has a future building programme and wants to borrow money to build extra fire stations in the country and to resite other stations in the metropolitan area. In his explanation the Chief Secretary said:—

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.

As we were asked on that particular ground to give this extra power to borrow additional money, it would have been better had we been told a little bit more about it, where these additions are to be and what the board proposes to do. I have said that in general and on general terms I agree that there should be an extension, but if it is on these grounds I think we should have been given a little more information. To be quite sure what we are doing, I point out to the Council that this borrowing can be without any security at all. Section 26 of the Act says:—

> The board may, with the consent of the Minister, and either upon the security of any freehold or leasehold lands of the board, or without security, borrow such moneys as may be necessary for the purpose of enabling the board to carry out and perform the powers, authorities . . . The moneys borrowed under this section shall not at any time exceed twenty-five thousand pounds.

The Council should realize that we are authorizing the Fire Brigades Board to borrow £100,000 without security. I wonder whether it is necessary to do that.

The Hon. E. Anthoney—Where do they intend to get the money from?

The Hon. Sir COLLIER CUDMORE—That is entirely their own affair. It is not in the information given to me and I would not expect it to be. However, if they are going to build these extra buildings and so on, as prognosticated in the Minister's speech, then they will have the property to give security, and it seems a little odd that they should not give it. Why should they not? Everybody else has to if he wants to borrow a large sum of money. It would be a good thing if the Government examined this point.

The Hon. S. C. Bevan—Would it not be a question of trying to get somebody to lend the money without security?

The Hon. Sir COLLIER CUDMORE—I do not know. The board has asked for this extra money to build certain buildings. I am pointing out that there is no amendment to section 26 of the Act enabling them to borrow money without security. That particular point should be looked at by the Government before we pass this Bill. It has been passed by another place but I doubt whether it considered this point. Probably it did not. I support the measure, which seems sound, but I invite the Government to examine whether these words "or without security" should remain or whether there should be a limit to the amount the board can borrow without giving security.

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

ROAD CHARGES (REFUNDS) BILL.

Adjourned debate on second reading.

(Continued from September 24. Page 917.)

The Hon. E. ANTHONEY (Central No. 2)—This is a small Bill, its only purpose being to authorize the Government to repay certain sums collected from hauliers, found by the courts to be *ultra vires* of the Constitution. When the previous Bill was introduced, some of us were a little suspicious that the Government would not be able to carry it through because of that restriction, but we were assured that the legislation would be able to stand the test of the courts. In point of fact, that has not proved so. The result is that we are forced now to authorize the Government to repay to certain hauliers money collected, apparently invalidly.

It is time somebody made up his mind about this legislation. We have had two bites at this cherry already and on both occasions we were found to be wrong. We all know that section 92 of the Commonwealth Constitution has been many times challenged, and what the Privy Council has said about it. Surely our advisers should be able to tell us what is right or wrong in this legislation. Other States are finding their way out of the difficulty. I understand that New South Wales and Victoria are in the process of legislating, if they have not already done so, and they believe they have surmounted the difficulty. Let us hope they have because we have a right here to expect people using our roads to contribute to their upkeep.

Most hauliers are agreeable that some charge be made. All this time they have been using our roads freely, without let or hindrance. The Government did try to impose a charge of 1d. a ton-mile, which in some cases has been collected. The Government did not tell us how much it will have to refund. Perhaps the Minister can give us the figure. As we are, apparently, getting this money improperly, it is only right that we should make restitution. I support the Bill in the hope that soon we shall get a measure sound in law by which we shall be able to make a charge upon these hauliers who, although making no payment, use our roads at great cost to the taxpayer.

The Hon. N. L. JUDE (Minister of Roads) —It is desirable that I should explain one point raised by honourable members. The amount to be repaid, if claimed, under this Bill is £1,093, 19s. 2d. That can be claimed by the various persons who have paid it in. A misconception arose in another place because, under a previous Act, inter-State registered carriers were paying certain fees to the Transport Control Board. That, too, was disallowed by the High Court, and a refund was made under a special Act.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—"Power to make refund."

The Hon. E. ANTHONEY—Will the Minister tell the Committee whether the Government is contemplating introducing legislation providing for a charge on hauliers, bringing the position into line with that prevailing in other States?

Clause passed.

Title passed.

Bill reported without amendment; Committee's report adopted.

WEIGHTS AND MEASURES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 24. Page 871.)

The Hon. Sir FRANK PERRY (Central No. 2)—This small Bill seeks to give the Government greater power than that defined by regulations under the original measure. In the Weights and Measures Act, which was first introduced about 1880, certain lengths and thicknesses are clearly defined to very fine limits, which is proper. No industry or community can carry on its activities without there being somewhere a definite weight or measurement on which it can base its calculations or to which it can refer in case of dispute. During the war we experienced great difficulty in Australia in getting from overseas a standard inch necessary for the purpose of accuracy, for some measurements are made in hundreds of thousandths, and even millionths, of an inch.

A number of authorities are set up, mainly by the Commonwealth Government, to control activities by defining a standard code under which industries shall work. It has been decided that a greater standard of accuracy should obtain in all work done and certain fixed measurements are available. I understand that the gauges themselves are in the hands of the Warden of Standards at the Lands Department and are kept at a certain temperature to ensure their accuracy. For instance, for measuring leather, there is a machine that surveys a hide and then gives the result in superficial feet. From the contacts I have made, I did not know of any necessity for a standard measurement, but somewhere along the line somebody wished to check by accurate measurement the machines doing this work.

This Bill seeks by eliminating certain limiting clauses, to give the Minister power to fix superficial measurements. I see no objection to it, but I think the Minister might have incorporated in the Bill, or his second reading speech, a description of the regulation that is proposed, because it is very difficult, without knowing what actual change in the procedure is contemplated, to gather what the Minister is aiming at. However, as the Bill follows the Victorian Act very closely I do not think there is any great danger in it, but in fixing standards the greatest of care must be taken.

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

ADJOURNMENT.

At 3.56 p.m. the Council adjourned until Wednesday, October 1, at 2.15 p.m.