

LEGISLATIVE COUNCIL.

Tuesday, August 9, 1960.

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

ASSENT TO ACTS.

His Excellency the Lieutenant-Governor, by message, intimated his assent to the following Acts:—

- Appropriation (No. 1).
- Dentists Act Amendment.
- Health Act Amendment.
- Land Agents Act Amendment.
- Metropolitan Transport Advisory Council Act Amendment.
- Stamp Duties Act Amendment.
- Statutes Amendment (Public Salaries).
- Supply (No. 1).
- Swine Compensation Act Amendment.
- Workmen's Compensation Act Amendment.

**APPRECIATION OF SIR LYELL
MCEWIN'S PUBLIC SERVICES.**

The Hon. Sir FRANK PERRY (Central No. 2)—I move—

That this Council place on record its appreciation of the long and outstanding public services of The Hon. Sir A. Lyell McEwin, K.B.E., on his completion of 21 continuous years' service as Chief Secretary, Minister of Health and Minister of Mines. The Council expresses the hope that he may be long spared to give the Council and the State the benefit of his experience.

Twenty-one years marks a period of time in both our political and everyday life that has some significance, and I think it fitting that it should be recognized in the political career of Sir Lyell McEwin. He was first elected as member of the Legislative Council for the Northern District on October 21, 1934, and on August 8, 1939 he joined the Ministry as Chief Secretary, Minister of Health and Minister of Mines, and has served continuously in those portfolios since that date. This is the longest term of office of any Minister in this Chamber. In addition, of course, Sir Lyell has had charge of Government business in this Council for the whole of that period. My idea of the functions of a Minister of the Crown in controlling the departments of which he is the Ministerial head is that he should observe a balance—which must be somewhat delicately poised—between the public, Parliament and the bureaucracy. This can be accomplished by most Ministers for short periods, but I think that for long periods the personality of the Minister must be outstanding: Sir Lyell has kept that

balance over 21 years, and the respect in which he is held by the public and Parliament, as well as his official control of his departments, is a credit to himself and demonstrates that he has given satisfaction to all concerned.

In controlling the business in this Chamber he has been firm but not autocratic, and has won the confidence, I think, of all members. This motion covers only the period of time that has passed and has no reference to the future, beyond the hope that Sir Lyell may long serve this Chamber and give to it the benefit of his experience. My personal wish is that he may long continue to retain his present position and I congratulate him on his outstanding period of service to the State and Parliament.

The Hon. F. J. CONDON (Leader of the Opposition)—My political affiliations do not prevent me, on behalf of my colleagues, from seconding this motion of congratulation to a gentleman who has rendered valuable and excellent service to South Australia, which is recognized, not only by his fellow citizens, but by Her Majesty the Queen. To serve a period of 26 years in Parliament is creditable, but to be a Minister of the Crown for 21 years is an outstanding achievement, and the tribute contained in this motion is well merited. My first association with Sir Lyell was on September 1, 1933, at Snowtown, when he tendered evidence to the Public Works Committee on the bulk handling of wheat, and I may say in passing that the committee was much impressed by what he said on that occasion. Thirteen months later, on October 20, 1934, he was elected to this Council in succession to the late Hon. W. Morrow. Sir Lyell has been associated with many great projects and undertakings in this State. As Minister of Health he has been connected with some very big jobs. He must look back with pride on the establishment of the Queen Elizabeth Hospital and additions to the Royal Adelaide Hospital, the erection of the McEwin Block, additions to the Port Pirie Hospital, and new hospitals at Mount Gambier, Port Pirie and other places.

As Minister of Mines he has been connected with the Radium Hill project and the Port Pirie uranium works. He also took a prominent part in other undertakings. As Chief Secretary he has accomplished great things, too numerous to mention. The establishment of the prison farm at New Era is one of the outstanding achievements under his jurisdiction. He has represented an electorate that has made rapid strides. He was closely associated with the establishment of the Morgan-Whyalla main

(from which great things are expected), works at Port Pirie, the powerhouses at Port Augusta, works at Port Lincoln and at other places, not only on this side of the Gulf, but also on the West Coast. He has had the assistance of his Northern colleagues and all members of Parliament of both Houses.

We speak of the past. The future we cannot foresee. Although we have our differences of opinion on matters of politics, we are all united in our belief in the Parliamentary institution controlling its own destiny. There is no difference of opinion when I express the wish that Sir Lyell and Lady McEwin may be spared and blessed with good health for many years to enjoy the company of their many friends. May I pay a tribute to Lady McEwin, because she deserves some credit for the progress the Chief Secretary has made. She has been very active in public life and has rendered valuable services to the community. I pay her that tribute in seconding the motion.

The Hon. C. D. ROWE (Attorney-General)—It is a great pleasure to me to support the motion and the sentiments expressed by Sir Frank Perry and Mr. Condon. On behalf of my colleagues in the Ministry, I wish to say how very much we appreciate what the Chief Secretary has done over the past 21 years and how very pleased we are with this opportunity to express publicly such appreciation. In the previous speeches reference was made to some of the work the Chief Secretary had done, and I should like to mention particularly the occasions when he has been called upon to fill the position of Acting Premier during periods when the Premier has been absent overseas or elsewhere. On those occasions when he has been called upon to attend Loan Council meetings in Canberra and other important conferences he has successfully carried out the responsible duties attaching to that office with credit to himself and advantage to the State. All Ministers will agree that in the portfolios of Chief Secretary, Minister of Health and Minister of Mines lie perhaps the greatest responsibility of any of the portfolios. The portfolios of Minister of Health and Minister of Mines involve the expenditure of very large amounts of Government money, and they are making increased demands every day, and are not easily managed. But under Sir Lyell's able leadership, outstanding records have been achieved and very many of these achievements must be credited to the ability, foresight and attention given to the work of those particular portfolios by the Chief Secretary.

If I could sum up the outstanding characteristics which appeal to me about the Chief Secretary it would be these—I should say that neither friends nor foes can deter him from what he believes to be the right course of action, and he has always followed that course irrespective of whether he feels that it will win him favour or disfavour. He has always kept closely to a very rigid code of strong principles, and that must give him not only very great satisfaction as he looks back over the years of his service, but leave him very well placed to continue to give service in all the years yet to be his. I also express to Lady McEwin our appreciation of the help and support she has always given to the Chief Secretary, and I wish them both good health and happiness in the years to come.

Motion carried.

The Hon Sir LYELL MCEWIN (Chief Secretary)—May I have the indulgence of the Council to acknowledge the motion, which, of course, is not easy for me to do. I must say how much I appreciate what has been said—perhaps it was in some exaggerated form—in referring to my activities over a period of 21 years. Any success I have been able to achieve in administration and the conduct of this Chamber would not have been possible were it not for the inspiration and sympathy that have always been available to me from honourable members on both sides. Right from the beginning, when I was completely inexperienced, you, Mr. President, as Leader of the Party, and the Leader of the Opposition, the Honourable Mr. Condon, have shown great tolerance. We have had our occasions for differences, but life has been made pleasant by a little mutual understanding that has enabled us to work happily together. It is an interesting period to look back upon. I believe there are only three of us left who met in the old Chamber in the building further west. It was in the first session of Parliament in the present Chamber that I assumed Ministerial responsibility. We have seen many changes take place and we are now able to meet in much more congenial surroundings, with improved acoustic properties, and certainly with less draught than in the old Chamber. At all times in the Legislative Council there has been an atmosphere that has made it not only pleasant to work in, but has enabled us to render great service to the community of this State.

I thank members for their kind remarks, particularly the reference to my wife. It does

make it easier to know that you have the assistance of your wife and, in a great measure, the family also. Responsibilities associated with the rearing of a family can perhaps intrude on the amount of concentration that one can give to public life, but I have been particularly fortunate in this regard, and fortunate also in the matter of health. I am very pleased with what has been said about my wife and I express my appreciation not only to the members of this House but to the members of another place. I have had happy associations with members of both Houses, but one of the highlights of the period was a surprise visit to my home several nights ago by members of another place and their wives. They caught me and my wife completely unprepared, but with their hospitality they gave us a wonderful treat. These associations will be something that we shall treasure for the rest of our lives. I am lost for appropriate words to express my feelings at this moment, but I do sincerely thank my colleagues and members generally in this House, and I include also those who have gone and those who have taken their places. To all I express my appreciation in return for what they have done for me.

QUESTIONS.

NEW GOVERNOR OF SOUTH AUSTRALIA.

The Hon. F. J. CONDON—On April 6, during the Address in Reply debate, I said it would be a great honour if the Lieutenant-Governor (Sir Mellis Napier) was appointed Governor of this State. Can the Chief Secretary say what progress has been made regarding appointing a successor to Sir Robert George, and when it is expected that an appointment will be made?

The Hon. Sir LYELL McEWIN—I am unable to make a final announcement at this moment, but negotiations have taken place between the Premier and the authorities at Home. I anticipate that before the end of the session we shall have something of interest to communicate with regard to this important appointment.

HOSPITAL CHARGES TO PENSIONERS.

The Hon. A. J. SHARD—I ask leave to make a statement prior to asking a question. Leave granted.

The Hon. A. J. SHARD—The Hospitals Department has a form which inquires into the financial position of a patient, or the person responsible for the support of the patient, receiving treatment at a hospital. The

form refers to personal particulars of the patient, and whether he is in a hospital benefits society, etc., and it comes down to assets and bank credits, bonds, fixed deposits and shares. The last item refers to a motor car or motor cycle. On the other side of the form, which is for office use, there is reference to total assets other than an occupied home. I understand that the department has another roneoed form showing how it shall assess the assets and the income of the patient. In this matter I am particularly interested in pensioners. Is the Minister of Health aware that the Hospitals Department, in assessing the ability of a pensioner to pay his hospital account, calculates that for every £100 at which the pensioner values his motor car his income is increased by £1 a week? To give an example, if a pensioner has a motor car valued at £400 the Hospitals Department considers that the pensioner's income is increased by £4 a week, and on that figure says how much the pensioner shall pay to the Department. Is the Minister aware of that position?

The Hon Sir LYELL McEWIN—Yes.

The Hon. A. J. SHARD—Will the Minister of Health take up with Cabinet or the Hospitals Department, whichever is the appropriate body, the matter of the practice which I outlined, and which he said he is aware of, so as to have it discontinued as soon as practicable?

The Hon. Sir LYELL McEWIN—I assure the honourable member that if any injustice is revealed in the system to which he has referred I will have any cases considered if he will give me the names of the persons concerned.

LOXTON DRAINAGE SCHEME.

The Hon. C. R. STORY—The Land Settlement Committee has made a recommendation regarding land settlement and a comprehensive drainage scheme for Loxton. Can the Attorney-General inform me what action has been taken to implement the recommendation?

The Hon. C. D. ROWE—The Commonwealth has approved the sum of £1,300,000 being made available for a drainage scheme to protect holdings against seepage in the Loxton area. The general layout design has been completed and plans for caissons and the evaporation basin are now being prepared. A contract has been let to Humes Ltd. at Loxton for 3½ miles of concrete pipes and tenders are being called for the manufacture and supply of the remaining pipe requirements.

UNIFORM SCHOOL TEXT BOOKS.

The Hon. G. O'H. GILES—I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. G. O'H. GILES—I refer to the transfer of pupils from a State school in one area to that in another area and I particularly refer to the transfer of students from the Bordertown area to Murray Bridge. The problem involves the payment of an extra £8 a student for text books. It is inconceivable to me that in a closely defined syllabus on any one subject as would exist at this level alternative text books are needed on a transfer from one school to another. Can the Attorney-General furnish me with a reply on this matter and say whether the use of uniform text books has been seriously considered by the Education Department?

The Hon. C. D. ROWE—I do know, from discussions that I have had with my colleague the Minister of Education, that the department is trying as far as possible to secure uniformity in the use of text books, but I shall be pleased to get a more detailed reply and make it available to the honourable member.

EXTENSION OF COUNTRY FACTORIES ACT.

The Hon. F. J. CONDON—I ask the Minister of Labour and Industry whether any action has been taken to extend the Scaffolding Inspection Act and the Factories Act in country areas.

The Hon. C. D. ROWE—I think the honourable member's question refers to whether the Country Factories Act and the Scaffolding Inspection Act have been further extended in country areas. Earlier this year certain extensions were made of the areas in which those Acts applied and in determining to what areas they would extend consideration was given to the amount of building activity and other constructional activity that was taking place in various parts of the State. The ambits of the Acts were extended to those areas where we considered it necessary, but since that time no further extension has been carried out.

TRAFFIC LAWS.

The Hon. Sir ARTHUR RYMILL—I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. Sir ARTHUR RYMILL—Last Sunday on South Road there was a considerable

hold-up of traffic and for a long way back to where the road widens there were literally hundreds of cars slowed down to a walking pace. I was in a hurry to catch an aeroplane and as I knew the locality I got on to a side road and was thus able to observe what I estimated to be about 1,000 cars slowed down to a few miles an hour by one slow-moving commercial vehicle. I understand that in Victoria there are certain restrictions at week-ends on the use of such vehicles, and in view of the fact that no doubt a similar situation to that which I have outlined happens here every week-end I ask the Minister concerned whether the Government is reviewing the position and whether it proposes to see if, to a limited extent in any event, a similar restriction is not justified in this State.

The Hon. Sir LYELL McEWIN—Amendments to the traffic laws are being considered at the moment and I will see what measures can be taken in connection with the matter raised by the honourable member.

SEARCH FOR OIL.

The Hon. F. J. CONDON—I asked a question on April 12 last about the search for oil in South Australia and I now ask the Minister of Mines what progress has been made since the visit of the French experts who made a survey here in certain areas in conjunction with the Commonwealth Bureau.

The Hon. Sir LYELL McEWIN—I have not seen any actual report and I am therefore not able to indicate what the results of such report may be. Advantage was taken, when the experts were here, to escort them over the areas where oil exploration was taking place and they did express certain comments. Of course, each authority has his own method on which he pins his faith, but an intensification of the search for oil has since taken place in the northern areas where a seismic party is operating. Delhi-Taylor has requested certain further work to be done on their behalf, and they will make a contribution to the cost. That is what is happening in that area. There has been no slackening in the search for oil in that region.

As regards other areas, in several places which rather appealed to the French geologists who were here, further work is being done and at an early date there will be an announcement of drilling operations in a centre in the South-East. The exact location has not yet been decided on, but I expect an announcement to be made in the near future by the

company concerned about its intentions. The department is throwing its whole weight into providing whatever technical services or information it has for the assistance of the companies concerned, and only recently I received a very complimentary tribute from one person concerned to the effect that the information he had received from the department was much more than he had anticipated would be available. He said that the amount of work that had been done so efficiently by the department and the information that had been collated was worth at least 12 months of his own company's investigations into future activities. I assure the honourable member that a very deep and great interest is being taken in oil search, and also that those who have taken leases are honouring to the letter all that they have been obliged to do, and more.

ALAWOONA MAIN STREET.

The Hon. C. R. STORY—I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. C. R. STORY—On December 2 last I asked the Minister of Roads a question about the main road between Loxton and Karoonda where it passes through the town of Alawoona. I said that the road level there was very much higher than the adjacent shops and properties, and I asked if the level of the road could be lowered so that the people would not be caused undue inconvenience by water pouring into their shops. I now ask the Minister representing the Acting Minister of Roads whether anything has been done to lower the level of the road and if it is proposed to place a kerb on the edge of the road to prevent water from entering existing shops and houses?

The Hon. Sir LYELL McEWIN—I will refer the honourable member's question to the Acting Minister of Roads with a view to getting the information he seeks.

CIVILIAN LAND SETTLEMENT.

The Hon. G. O'H. GILES (on notice)—

1. What are the Government's intentions regarding assistance for the establishment of young qualified farmers on the land?

2. Is it the intention of the Government to make provision in this year's loan programme for this purpose?

The Hon. Sir LYELL McEWIN—This matter will be considered with the Loan Estimates.

PERSONAL EXPLANATION: COLLECTIONS FOR CHARITIES.

The Hon. S. C. BEVAN—I ask leave to make a personal explanation.

Leave granted.

The Hon. S. C. BEVAN—On approximately May 19 last I criticized the commercialization of charities by business fund-raising consultants and objected to an outside body being paid a large sum of money for its services. Whilst not admitting the statements attributed to me, I did say in answer to a question that I believed the firm concerned was the Wells Organization. I have since learned that the fund-raising consultant was the Sydney firm of J. R. Stocker Proprietary Limited and that the Wells Organization was in no way connected with either the appeal or the firm concerned. I am sorry if the statement referred to has caused any inconvenience or embarrassment to the Wells Organization, and I tender my apologies to it.

PUBLIC WORKS COMMITTEE REPORTS.

The PRESIDENT laid on the table the following reports by the Parliamentary Standing Committee on Public Works, together with minutes of evidence:—

- Bolivar Sewage Treatment Works.
- Elizabeth High School (Additional Building).
- Thevenard Bulk Wheat Bin.
- Warren Water Supply (New Trunk Main—Modified Scheme).
- Eyre Peninsula Water Supply (Augmentation from Lincoln Basin).
- Port Pirie Harbour Improvements (final).
- Blackwood Primary School (Additional Buildings).
- Edwardstown Primary School (Additional Buildings).
- Woodville High School (Additional Building).

and the following reports by the committee:—

- Morgan to Whyalla Pipeline (Additional pumps and Booster Stations) (progress).
- Blackwood High School (interim).
- Plympton High School (interim).
- Campbelltown Primary School (interim).
- Darlington Primary School (interim).
- Modbury Primary School (interim).
- Naracoorte South Primary School (interim).
- Seaton Park Primary School (interim).
- Sturt Primary School (interim).
- Keith Area School (interim).
- Kimba Area School (interim).
- Mallala Area School (interim).
- Enfield High School (interim).
- Taperoo High School (interim).
- Norwood High School (interim).
- Gawler High School (interim).
- Heathfield High School (interim).

Gepps Cross Girls Technical High School (interim).
 Hendon (Seaton) Boys Technical High School (interim).
 Hendon (Kidman Park) Girls Technical High School (interim).
 Seaton North Primary School (interim).
 Iron Knob Water Supply (interim).
 Elizabeth Downs Primary School (interim).
 Gilles Plains Primary School (interim).
 Stradbroke Primary School (interim).
 Whyalla (Hincks Avenue) Primary School (interim).
 Mount Gambier High School (interim).
 Angle Park Girls Technical High School (interim).
 Mount Gambier Technical High School (interim).
 Booleroo Centre Water Supply (interim).
 Vaughan House Girls Training School (interim).

HIRE-PURCHASE AGREEMENTS BILL.

Adjourned debate on second reading.

(Continued from May 10. Page 427.)

The PRESIDENT—Before calling upon Mr. Potter to resume the debate on this Bill I would like to point out to members that on this Bill, its being a lapsed Bill restored to the Notice Paper, all members who have spoken on the second reading debate may, under Standing Order No. 177, speak again if they so desire.

The Hon. F. J. POTTER (Central No. 2)—This was the Bill introduced into this House in the dying hours of last session. We had the introductory second reading speech by the Chief Secretary, and the Hon. Sir Arthur Rymill followed him with a long dissertation on one or two aspects of the Bill.

The Hon. F. J. Condon—Have we to hear him again?

The Hon. F. J. POTTER—We may have to, but I think some of the things he said were worth while, and certainly they have been of some assistance to me in my examination of the measure. In the period which has elapsed we all have had an opportunity to examine what the Chief Secretary said. I have given a good deal of thought to the Bill as a whole, and I intend to move a number of what I regard as important amendments which have already been circulated to members. Before talking about the Bill itself I think it necessary to see it in its proper perspective. We must all see what the Bill is trying to do and the gamut over which it is proposed to run. To do this, I think, we must see immediately that in its original form as introduced into another place it was what might be described as a lawyer's Bill—a legal Bill—

designed to cover only the legal aspects and implications of the hire-purchase transaction itself. Indeed, that can be seen from the very title of the Bill—an Act relating to the form and content of hire-purchase agreements and the rights and duties of parties to such agreements, and for other purposes. It is therefore not an economic measure and we ought to be careful to make this distinction.

The Hon. Sir Frank Perry—Don't you think it comes within that category though?

The Hon. F. J. POTTER—It is not primarily an economic measure. In dealing with such a lively topic as this, if we are not careful we may be carried away along certain lines of thought so as to lose sight of the main object of the Bill as set out in its title. Indeed, if we look through the pages of *Hansard* reporting the debate in another place it will be seen that much time was taken up with discussion of the economic aspects of hire-purchase, and whether they were good or bad, and so forth. Even some of the Minister's opening remarks in introducing the Bill were particularly apposite to a discussion on the economic or social aspects of hire-purchase.

The Hon. K. E. J. Bardolph—You would not say that hire-purchase does not come into the economic sphere?

The Hon. F. J. POTTER—I would not, but I am saying that this Bill is not primarily an economic Bill. The Minister said that the hire-purchase system has much to commend it; it gave wage earners the opportunity to buy essentials and stimulated demand for consumer goods with a consequent lessening of the unit cost of those goods. I think we can all agree with those conclusions. Hire-purchase is now a part of our economic system for better or for worse. It has been one thing that over the last two decades even an absolute simpleton in economics has seen mushroom before his very eyes and become part of his social thinking. I said one thing a moment ago; the other is of course, a great expansion in our economy generally and the inflation that has gone with it. To some of us it is not without coincidence that the two matters—the growth of hire-purchase and the great expansion and inflation—have grown up together.

There has been in one generation a complete change in social attitude toward hire-purchase. When I was a lad it was considered not quite the thing to buy on hire-purchase. One waited until one raised sufficient money to pay cash. I remember attending debating societies that were busy thrashing out whether hire-purchase was a snare and a delusion, and whether it was

a menace to the community. Today all this has changed. Every man, woman and child in Australia today owes on the average £35 to £40 on hire-purchase. Outstanding debts on hire-purchase have grown from less than £6,000,000 in 1945 to £413,000,000 at the end of April last. We might ask, "Why has this all occurred? Why buy on hire-purchase?" Underlying the whole hire-purchase structure is still one of the greatest paradoxes of our day, namely, that the less money one has the more it costs one to buy the goods one wants. There are, of course, many reasons why hire-purchase transactions have grown in such volume. Today we cannot get adequate domestic help in our homes and therefore more labour-saving devices for the average housewife are needed. Faster transport is required in this modern age and therefore we see the introduction of the family motor car. More entertainment and leisure are sought in the home. If we look at the picture realistically, we must see that changes in social pressures have been just as strong a factor as any other in the increase of this growth. In saying that I am not overlooking the enormous effect of advertising. To some extent a rise in real earnings has helped, and last, but not least, hire-purchase finance companies now provide the necessary money very easily. It is obvious to anyone that the hire-purchase finance companies have, by offering comparatively high rates of interest, easily persuaded people, even those with small amounts of capital, to invest with them. The companies in turn lend the money out for hire-purchase and other transactions, in the process making a sizeable profit.

Unfortunately, the old saying is only too true—that if you put money into this, you cannot put it into that. If you invest in a finance company you cannot or will not invest in loans or securities at five per cent. One can get eight per cent for one's money from the finance companies. I have read many books on economics and the problem of inflation, but if I am not mistaken one of the basic causes of it all comes down to what I read years ago and what was postulated I think by Lord Keynes. He said in effect that if people wished to avoid inflationary trends in an expanding economy they must save and such public savings must be diverted in first priority into basic capital investment both in industry and in public works; and if savings go into productive investment, and not consumer goods, we shall not have much inflationary trouble.

In the light of this, and in view of the fact that the finance companies, like banks

and insurance companies, are only conduit pipes through which investors' money is channelled, our attitude generally to the hire-purchase boom might be different if we could be sure that the bulk of the money available was going into productive investment. The Commonwealth Statistician divides his hire-purchase figures into three categories. I think this is really the best he can do with the figures available. These show that five per cent of investment goes into plant and machinery, which is the kind of basic productive investment I have been talking about, 25 per cent into household goods, and 70 per cent into motor vehicles. Most of that 70 per cent are vehicles used for private purposes. The obvious gap between funds going into consumer goods as compared with producer goods is startling, and what is more that investment is virtually uncontrolled. Strong measures exist for the control of bank funds and Government programmes. Only yesterday we read in the press of the call by the Governor of the Reserve Bank to the trading banks to restrict their advances even further and to guard against lending for speculative purposes. This principle of the Central Bank controlling the volume of bank credit is I think established now once and for all. The amount of £413,000,000 I mentioned in hire-purchase credits is now about 30 per cent to 40 per cent of the volume of bank advances, so we have today in the form of finance companies what is virtually a second banking system almost entirely free from all economic and financial control. This is a subject that is causing anxiety in many quarters, political and otherwise.

It is beyond doubt that our hire-purchase system is expansionary in the economic sense. It can have disturbing effects on the whole pattern of production, and this expansionary tendency is cumulative. Let it not be forgotten that if it is a part of expansion, indeed one of the main factors behind the expansion in our economy (and this is beyond doubt), it must *ipso facto* be linked with recession, if that should ever occur. I am not suggesting that a recession is going to occur and certainly none of us wants to see that; yet not one of us is so all-seeing and all-wise as to be in a position to say that it could never occur. My sole point is that if recessive tendencies ever appear in the future, our hire-purchase debt structure will aggravate and greatly intensify such recession. I think we can quote in support of that statement, as an example, what took place in the United States of America.

In 1955 or 1956 the hire-purchase debt was running at an all-time high, mainly as a result of a boost in new car sales. In 1957 the motor car industry slumped and the repercussions of that slump were felt like a nasty tremor through the whole economy. The recession of 1957-58 in America I am sure would have been less severe if some restraint had been imposed on hire-purchase back in 1955. This must have been the kind of thought in the minds of members of the House of Assembly and also of Parliamentarians in the other States when they voted for the inclusion in this legislation of a part dealing with minimum deposits.

Here let me reiterate that this part of the Bill is purely a matter of economic policy. It is a kind of back-door method of economic control, and as far as it goes, an attempt at solving what is a colossal problem. I said, "as far as it goes," for a compulsory deposit of 10 per cent is like trying to dam back a stream with the palm of the hand. I have not given notice of any amendment of this part dealing with minimum deposits. I am well aware that they are anathema to business and finance companies which, not unfairly, can produce some strong arguments against them from their own points of view, but honourable members will have to try to look at the whole picture. I look forward to hearing other views on the subject. My principal objection to the minimum deposit clauses is that they are not and never can be completely water-tight, and a 10 per cent deposit contributes so little to a solution of the basic problem that it is doubtful whether the end justifies the means. If we are to put any brake at all on hire-purchase lending, I can see no more effective method than to require the finance companies to place deposits with the central bank as is required by the ordinary trading banks. This is something which our State Parliament cannot do.

The Hon. Sir Frank Perry—Would you advocate the same interest?

The Hon. F. J. POTTER—I do not know about the interest, but I think we could have a little competition if that happened. As the only practical solution of the problem, the finance companies should be placed on the same basis as the banks. As I said before, this is not an economic measure, but as I have been talking about economics so much, let me now turn to the Bill as originally introduced in the House of Assembly. We can accept the Minister's statement that some uniform measure is, in our present day, an absolute necessity as a protection to the hirer. He

is the customer, and cannot dictate the terms of his contract. He is weak and the financiers are strong. That was the spirit in which the State Governments agreed to present to their Parliaments a uniform Bill. I agree with what the Hon. Sir Arthur Rymill said, when speaking on another Bill last session, that we should not ride roughshod over other considerations merely for the sake of uniformity. In its original form this Bill was not drafted by our Parliamentary Draftsman, and in some instances it was not drawn with a complete knowledge or understanding of the existing South Australian law. I do not hesitate to say that it has not been altogether fairly drawn as between the two parties to a hire-purchase agreement, the owner on the one hand and the hirer on the other. I do not think this was intentional; it was probably not sufficiently thought out in all its ramifications. The suggestion has been put to me that this Bill was not introduced as a code of hire-purchase law. I cannot see the cogency of such a statement. The Bill is so close to being a code that it is hardly worth quibbling over what we mean by such a word, and, indeed, if it is not meant as a code it should be.

As for clinging to the principle of uniformity, the other States have not hesitated to engraft provisions dealing with signatories to the agreement, minimum rates of interest, maximum deposits, as well as other minor amendments. My argument is that if by amendment we can improve the Bill, whether from a legal or practical point of view, it is our duty to do so. When debating this Bill in another place the Premier said that the Government would not oppose any amendment which tended to improve it.

May I suggest that in approaching the Bill there is one important principle to keep in mind at all times. It is the very principle of hire-purchase itself. I do not know where the conception of such a contract came from originally. It is certainly a very old one in the law. The principle is set out in the definition clause of the Bill, as follows:—

"Hire-purchase agreement" includes a letting of goods with an option to purchase and an agreement for the purchase of goods by instalments . . . but does not include any agreement:—

- (a) whereby the property in the goods comprised therein passes at the time of the agreement or upon or at any time before delivery of the goods; or
- (b) under which the person by whom the goods are being hired or purchased

is a person who is engaged in the trade or business of selling goods of the same nature or description . . .

Put in simple terms, the essence is that in a hire-purchase contract until the goods are fully paid for by the hirer they remain the property of the owner, but in the possession of the hirer. It is important that we must not so favour the hirer and we must not so arm him with legal rights and privileges that the owner is completely frustrated and his rights reduced to empty words. After all, we must not forget that a Hire-Purchase Act exists now, and has existed since 1931. It has worked well and never provoked any hostility. I would agree that under present-day conditions it is inadequate to protect hirers in some ways, but that does not justify our going to the other extreme to remedy the position. Broadly, the Bill seeks to ensure that the hirer knows at all stages what he is undertaking when entering into an agreement, protects him if he has been the subject of misrepresentation and fraud, and gives him every opportunity to comply with the terms of the contract before running the risk of losing goods. To achieve these things, which are quite sensible, the owner is required to do certain things in a positive way, and is restricted from exercising certain rights which he now has. But there is a point beyond which this House in particular should not go in protecting a hirer, a kind of point of balance. When it is reached thereafter the interests of the owner must be allowed to prevail. Particularly is this so when, as we all know, not all hirers are sincere and reputable persons.

I do not intend at this second reading stage to debate or explain all the amendments which I have placed on members' files. Many of them are proffered with the principle that I have stated well in mind, and I will deal with them in full in the Committee stage. But I will try to illustrate what I have been saying by dealing with the one matter of the owner's right to re-possession of his goods. Do not forget that at law they are his goods until the hirer has paid in full. Now under this Bill, what must the owner do if payments are in arrears? Firstly, he must send a notice by registered post, at his own expense, to the hirer telling him that he has fallen in arrears with his payments and that if he does not do something about it the owner intends to re-take possession of the goods after the expiration of a stipulated time.

If the hirer takes no notice of the warning the next thing the owner can do is to apply to the court, again at his own expense, complaining that he has given the notice and has been ignored, and requesting the court to make an order that the goods be delivered to him by the hirer at a time and place to be stipulated in the court's order. He then serves a copy of this court order, again at his own expense, on the hirer. If the hirer is the sort of person that has let the matter go this far he again takes no notice of the court's order served upon him, so what is the next thing the owner must do? Again at his own expense, he must issue a complaint against the hirer in the court of summary jurisdiction and have the hirer brought before the court to be fined for not having complied with the previous court order. That is all that he can do. After all this time and after the expenditure of all this effort the owner has still not got his goods back. He cannot do anything about getting them back. I can almost imagine members saying, "Surely you must be exaggerating? Is that what the Bill provides?"

The Hon. Sir Frank Perry—Is that the way it works in practice?

The Hon. F. J. POTTER—It is the necessary practice that will have to be followed.

The Hon. K. E. J. Bardolph—Will that be the actual practice or is it a legal interpretation?

The Hon. F. J. POTTER—It is not a legal interpretation. It is my candid interpretation. This is what the Bill provides.

The Hon. K. E. J. Bardolph—Your opinion may be wrong.

The Hon. F. J. POTTER—My opinion does not go against the plain words of the statute. In my amendments I have tried to do something with this "Alice in Wonderland" situation by at least empowering the court in the first instance to issue a warrant to the bailiff of the court enabling him to take possession of the goods on the owner's behalf. Turning to another facet of the problem of re-possession, up to the present, under the existing Hire-Purchase Act, an owner can repossess his goods for default in terms of the contract by taking them from the hirer's possession wherever they can be found. To do this he is even empowered, under the present statute, to enter premises, break down doors, open windows, etc., to get at the goods.

The Hon. Sir Frank Perry—Himself?

The Hon. F. J. POTTER—Yes, or any lawful agent.

The Hon. F. J. Condon—The position has been abused, which is the reason for the legislation.

The Hon. F. J. POTTER—I can hear my Opposition friends clicking their tongues about this matter. I doubt whether such powers have ever been abused in the past, and in 12 years' practice in the law I have never had a complaint from anyone about such a matter, but I agree that they could be abused and that they do not seem quite palatable in a democratic community.

The Hon. Sir Arthur Rymill—The last thing the owner wants to do is to repossess his goods.

The Hon. F. J. POTTER—It all depends on the stage the transaction has reached.

The Hon. Sir Arthur Rymill—The owner does not take back his goods except as a last resort.

The Hon. F. J. POTTER—Yes, but there are times when he must repossess. The Bill sets up the practice I have outlined and it represents a swing to the other extreme. Any entry at all is forbidden. In other words, if a vehicle is parked in a drive-way the owner cannot even enter through the gate and drive the car away. What possible objection could there be to any peaceable repossession pursuant to the terms of a contract by non-forcible means when there has been a deliberate and fairly long-standing default on the part of the hirer to comply with his obligations under the hire-purchase agreement?

To deprive an owner completely of all rights of entering upon premises for the purpose of re-taking possession of his own goods leaves him entirely without any legal remedy other than to sue for the balance of the money which is owing. This seems to be completely wrong and to have an inherent danger in it because, as I said earlier, the essence of a hire-purchase transaction is that the ownership of the goods never passes to the hirer until he pays his full consideration, and this is the distinguishing feature of the legal concept of the transaction. If owners of goods are to be completely deprived of their rights, even of peaceable repossession of goods, I think there is no reason at all why they should even bother to enter into a hire-purchase transaction. They would be far better off by lending their advance under what we call a "bill of sale," which is only the technical term for a mortgage over goods and chattels. Under a bill of sale transaction they could gain far better protection and could include in the bill of sale rights to enter, forcibly or otherwise, and seize the goods the subject of the bill.

The Hon. F. J. Condon—Is the Attorney-General going to accept your amendments?

The Hon. F. J. POTTER—I hope so. I think they are good amendments, and we shall deal with them when the time comes. I am not sure whether hire-purchase companies would not, if the restrictions now imposed on them in the Bill remain, re-orientate their methods of finance and go into the bill of sale field. Indeed, from my present inquiries and my own knowledge some of the smaller finance companies are already adopting this procedure rather than lend under hire-purchase transactions. From my remarks it will be gathered that I support the second reading. I think the Bill has obvious advantages. Some of the provisions are essential. Clauses 5 and 6 fill a big gap in the existing law. I assure all honourable members that the amendments I have placed upon their files have not been placed there without a good deal of thought. There is not one of them that I feel is not absolutely necessary. I have had some second thoughts on one that I will mention when the time comes, but I have throughout tried to preserve the original principle that as far as possible there should be a uniform Bill and I have limited my endeavours to trying to provide amendments that will improve the Bill and I hope, in the words of the Premier, that the Government will accept those amendments in the spirit in which they are tendered. I support the second reading.

The Hon. JESSIE COOPER (Central No. 2)—I rise to support the Hire-Purchase Agreements Bill because I think it is a most carefully thought out Bill and a most necessary one. It gives new rights to the hirer and the purchaser and it does away with faults and malpractices that all honourable members will admit have existed. Honourable members should realize that the framework of this Bill is a real attempt to meet the requirements of the honest owner and the honest hirer. When the Bill was introduced in another place the Premier gave a summary of the history of hire-purchase and of the urgent need for this Bill, and I found that summary an excellent exposition of the situation.

I recognize that hire-purchase has many desirable features and that it is admittedly a great boost to the secondary industry of South Australia. Most of the calumny surrounding hire-purchase and most of the unfortunate incidents which have given some hire-purchase traders a bad name arise from the ill-considered or "impulse" purchase made without sober consideration by the would-be purchaser.

Unfortunately, this "impulse" buying or hiring is most frequently found in cases where the family income is already fully committed. Honourable members must not ignore the importance of "impulse" buying. We have all at one time or another given way to such an impulse. I can remember an occasion when I went to an auction sale to buy a few pot plants and came away with a Broadwood piano. But I assure honourable members that there is a great difference between losing money on a stupid cash purchase and committing oneself and one's spouse to the spending of money which one cannot afford.

There have been introduced into the Bill two provisions that have caused serious controversy. I would like to say as a preliminary that I consider that their effect upon trading in general has been grossly over-stated and exaggerated. In the first place clause 3 of Part II provides for the signature of both spouses on a hire-purchase agreement. I have not been convinced by any arguments adduced so far that this is not a good thing. Far too many women fall for "impulse" buying either by seeing attractively displayed goods in shops or by being persuaded by skilled door-to-door salesmen. Certain tradesmen have suggested to me that, in these days when so many wives take jobs outside their homes, husbands and wives should by virtue of their separate incomes be able to undertake financial commitments independently of each other. This is a very dangerous attitude and it cuts through the fabric of the true partnership which should be the aim of every marriage.

In the second place, clause 45 of Part VII provides for a 10 per cent deposit on goods taken out under a hire-purchase agreement. This provision will make it clearer to the intending purchaser whether he or she has the ability to find the money for the necessary regular payments. To dismiss this clause as an unnecessary restrictive influence is, I believe, to ignore public opinion. I have since the early session asked literally hundreds of people whether they approved of a deposit on hire-purchase agreements and I have had an almost 100 per cent response in favour of a deposit, and most people want a higher deposit than 10 per cent. I feel that the people who are losing most at present are those that can least afford it.

The most important point in consideration of the two allegedly controversial proposals incorporated in the Bill is that, in my opinion, they will not affect the amount of turnover in sound hire-purchase agreements; they will

not affect the amount of trade done in this State as a result of hire-purchase; and they will not interfere with the quantity of genuine sales by our traders or interfere with the volume of hire-purchase financial turnover. They will however prevent quite a lot of hire-purchase contracts unlikely to be completed.

I am convinced from numerous constituents who have spoken to me, particularly reputable traders and financiers, that this Bill is necessary to protect our honest commercial houses against the depredations of the unreliable or doubtfully honest ones. Nothing has such a bad effect on their public name as bad contracts undertaken with no hope of fulfilment. While bad contracts are made we will continue to have on the market a glut of partly used goods and secondhand machines, and this is a situation that reacts unfavourably against legitimate trading. Several traders have expressed to me their opinion that this Bill may be restrictive, but I consider this a fallacious interpretation of the effect of the proposed legislation. It will, I believe, clear the air without reducing sound business. I accordingly support the Bill.

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

SOIL CONSERVATION ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from May 11. Page 456.)

The Hon. C. R. STORY (Midland)—I support this Bill and I believe that everybody who is interested in country districts agrees with it because it is absolutely necessary if we are to keep our soil intact. We must arrest soil erosion. In the country that I know best soil erosion has, in the past, been at its worst and I believe that the Soil Conservation Act, 1939-1947, has probably played a very useful part in stabilizing the economy of the State. In the Murray-Mallee, particularly where there are light soils, soils of a sandy nature, soils that are extremely fertile, and soils that will grow anything provided water is supplied, there is a depth of two feet or so of soil on top of the limestone, and that soil must be preserved or the country will be lost to posterity. It is not sufficient for us to look after our own interests or the interests of any one generation: we must hand the country on to the people who will, in an expanding nation, have to make use of it. I wholeheartedly support anything that can be done to ensure the

retention of that very thin skin of soil on top of the limestone.

Clause 3 of the Bill is a very necessary provision because, where changing conditions and different sets of circumstances are encountered, they must be treated on their merits. This clause enables the districts to be split, thus making it easier for administration and for the people who are experts in their own areas to comprise the Conservation Board appointed to deal with the specific area. The next clause of the Bill clarifies the question of the eligibility to petition and the eligibility to vote. Prior to this amendment people living in municipalities or district council areas were all entitled to vote or, in other words, they could all put in a petition, and that state of affairs is not desirable. The point is that this Act deals with soil conservation and therefore its implementation should be confined to those working the soil and to those who have a real interest in it. This clause tidies up the definition of "occupier" and makes it quite clear which people are to be permitted to petition the Minister for the formation of a district board.

Probably the teeth of the Bill, and the most important thing in the Bill, is clause 5, which deals with drifting sand. Under the present Act a local board has certain powers to deal with drifting sand, but it has no power to deal with the people who are causing the sand drift. This clause follows the principle that prevention is better than cure. In other words if a man in a fairly dry year decides to run 1,000 head of sheep on a piece of country and in so doing chops it up and makes it susceptible to wind erosion, under this clause the board may take action against him to restrain him from permitting his country to deteriorate into such a state that it will blow. The same thing applies to people who excessively burn off and who allow drift to come in. The important thing is that a neighbour of a careless farmer may ask the board to take action to stop the particular erosion and prevent the complaining neighbour from being sanded out. I consider this a most important part of the Bill. In the past a board has been able to serve notice on a landholder that he has to do certain work to clean up drift or slow it down or take any other action necessary. The board has not, however, had any power to do any more than what was contained in the original order. Under new section 13j the board is given the power to enter a property and do all the things that are necessary if the settler refrains from doing

them. The board may also do work additional to that set out in the original order, and I consider that a very useful provision.

Clause 7 repeals portion of the principal Act and in its place inserts two new provisions the effect of which is to short-circuit something: it enables the Minister to make an order against a farmer without first having to apply to the Conservator of Soils as is now prescribed, although, of course, it still has to be referred to the Advisory Committee on Soil Conservation. Here I would like to pay a very high tribute to the Government, the Minister and the department for bringing down these amendments. They come as the result of recommendations by the Advisory Committee, a body composed of people from the various Soil Conservation Boards who have served for long periods and are expert on the problem of soil conservation in their own areas. They have done a grand job in advising and have also been responsible for bringing up most of the amendments before us. I am particularly pleased that the Government has gone out of its way to assist these men who are doing a voluntary job in keeping that important thin skin of soil on our continent. I have great pleasure in supporting the Bill and know that the amendments will assist very materially in the work of the soil conservation boards in carrying out the functions for which they have been appointed, and which they are doing in a very able and proper manner.

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

TRAVELLING STOCK WAYBILLS ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from May 10. Page 420.)

The Hon. A. J. MELROSE (Midland)—I cannot but think that the amendment now before us is the end result of some muddled thinking, and though I cannot reflect on legislation already passed, taking a view of the whole question of travelling stock waybills, there surely can be no greater benefit to the driver than the possession of a waybill, for it removes from him all responsibility of proving his right to control the stock he is driving or carrying. This document shows whence they came, where he proposes to take them, and shifts the responsibility to the owner. Parliament, in its wisdom apparently, removed from the owner of the stock the responsibility of supplying that piece of paper which is known

as a waybill. Usually there is no difficulty in determining the ownership of stock by means of brands and so forth, but the drover may be anybody, perhaps with no fixed roots in the district, and if he has no waybill he may be hard put to it to explain how he came to be in possession of the stock. He could, for instance, pick up stray stock along the road with the intention, not of delivering them to a market, but of diverting them to his own place or that of some other person *en route*. If anybody needs the protection of a waybill it is the drover. There is no difficulty in his asking for it. The owner has to supply it and if the drover is then questioned about his right to be in charge of the stock he has but to produce this piece of paper and his right is established. I do not know where I was when the previous amendment was before the Council—perhaps I was away ill—but I cannot help thinking that this is wrong now and therefore I do not see that I should support it.

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

LAW OF PROPERTY ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from May 12. Page 485.)

The Hon. Sir ARTHUR RYMILL (Central No. 2)—This Bill has two motives. The first is to permit aliens to hold land in South Australia without restriction; in other words, it does away with a wartime restriction. The other is to raise the jurisdiction of the Local Court in certain transactions relating to husband and wife. This is perfectly in line with a recent amendment to the Local Courts Act passed by Parliament, and I think it only

logical that this Act should also be amended to agree with that expression of opinion.

In relation to aliens holding land I would like to emphasize certain words used by the Minister in moving the second reading. He said that the legislation had worked very well on the whole, and went on to say, "However, the Government has reached the conclusion that the time has been reached when the provisions can be repealed without detriment either to the State or to aliens themselves." I could paraphrase that as being "either to the State or to the people affected by the Bill." The Minister added, "Indeed, the removal of the provisions will bring South Australia into line with other States in this matter." Would that we could hear those magical words in relation to another Act I know of and to which they would be equally appropriate. That, Sir, would be quite priceless. I have been listening in vain for such words to be used ever since I have been in Parliament, and, to the best of my ability, I have urged their use, but nothing has happened. I am hopeful that something may happen this session; that the Government will reach the conclusion that the time has come when those provisions can be repealed, thereby bringing South Australia into line with other States on that matter also. In the meantime I give my support to both Parts of this Bill. They are a perfectly logical sequel to other happenings within this Legislature and outside.

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

ADJOURNMENT.

At 4.07 p.m. the Council adjourned until Wednesday, August 10, at 2.15 p.m.