

LEGISLATIVE COUNCIL.

Wednesday, September 7, 1960.

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

QUESTIONS.**TORRENS ROAD.**

The Hon. F. J. CONDON—Has the Chief Secretary, representing the Minister of Roads, obtained a report following on my question of August 23 about action being taken immediately to effect repairs to Torrens Road?

The Hon. Sir LYELL McEWIN—The Commissioner of Highways reports:—

The section of Torrens Road from Davidson Street to Government Road has been reconstructed, but is now due for resurfacing with bituminous premix. The two sections, from Davidson Street to Addison Road and from Government Road to Park Terrace, are programmed for reconstruction as soon as funds can be made available. The work has been deferred on Torrens Road for two reasons. Firstly, available funds have been allocated to more urgent works and, secondly, the Engineering and Water Supply Department intends laying another main along the full length of this road. The two sections which await reconstruction are maintained by the local authorities with financial assistance from this department and they have been requested to maintain these sections in a satisfactory condition, bearing in mind that expenditure should not be excessive as reconstruction is intended in the near future. Providing the laying of the main has been completed, it is anticipated that the reconstruction will be included in next year's programme.

AUDITOR-GENERAL'S REPORT.

The Hon. F. J. CONDON—One of the most important documents to be tabled in this Council is the Auditor-General's report. As the Budget has been introduced in another place, can the Chief Secretary say when a copy of the report will be tabled here?

The Hon. Sir LYELL McEWIN—I think it is expected that the report will be available to members when the House re-assembles after the Royal Show adjournment. It is a matter of printing.

STATE BANK REPORT.

The PRESIDENT laid on the table the report and accounts of the State Bank of South Australia for the year ended June 30, 1960.

MARGARINE ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 31. Page 845.)

The Hon. S. C. BEVAN (Central No. 1)—I support the Bill, but I will approach the

matter in a totally different way from the Hon. Mr. Giles. I will try to draw a comparison between the production of butter and the production of margarine. Mr. Giles said that there should be no further increase in the quota of table margarine available to the public because such an increase would be harmful to the dairy industry. He said that the Hon. Mr. Condon had stated that the consumption of margarine per capita in South Australia was 1 lb., and then continued:—

I think he will find in fact it is 1½ lb. The point is that the consumption per capita of margarine is now higher than it was in 1948, when the quota fixed was 312 tons. I think that disposes of any argument that population trends in this State have cut down the amount of margarine consumed here.

Later in his speech he said, when asked by Mr. Condon for the reason for the 1956 increase:—

Probably there was as sound a reason to increase it then as there is lack of a sound reason for increasing it today.

The Government introduced the legislation in 1956 and in explaining it the Chief Secretary said that the reason for increasing the quota fixed in 1952 was the considerable increase in population. At the beginning of 1956 the population in this State was 820,143. On December 31, 1952, it was 755,042, and on March 31, 1960, it was 939,576. If the reason for increasing the quota in 1956 was that the population had increased, then a similar reason now exists for increasing it. The increase in population from 1952 to 1956 was 65,101, and that apparently warranted an increase in the margarine quota of 50 per cent. Since 1956 the population of the State has increased by 119,433. If the population increase of 65,101 warranted an increase in the margarine quota in 1956, the increased population since then now warrants a greater increase than 50 per cent. If this Government was justified in increasing the quota in 1956 there is justification for increasing it today.

The Hon. G. O'H. Giles—You have missed two main reasons. The Government would have introduced a Bill to increase the quota if it had seen fit to do so, and it has not. The reason is obvious.

The Hon. S. C. BEVAN—The Government is not consistent. I shall later quote certain figures, and I invite honourable members to examine them, because the figures will enable them to compare the position in South Australia with that in other States and overseas countries which are principally engaged in primary production. I have every confidence in the dairy industry in this State, and my confidence

in the industry has extended over some years. It is a most valuable industry operating within the State and I fully appreciate the position of the dairying industry. The figures which I have been able to obtain from the latest statistical information are up to the year 1958-59, and I have compared the Australian dairying industry with the industry in New Zealand, Denmark and the Netherlands, as to production of butter and the effect of margarine in those countries.

In the year 1958-59 there were, in Australia, 3,283,000 cows, and the yield per cow was 412 gallons. Total milk production for that period was 1,370,000,000 gallons, and 78 per cent of it went into the manufacture of products such as butter, cheese, condensed milk, powdered milk and so on. In New Zealand the number of cows was 2,000,000 and the yield for each cow was 579 gallons, the total yield being 1,154,000,000 gallons. Out of that quantity 88.7 per cent was used in manufacture. In Denmark, another primary-producing country, the number of cows was 1,451,500, the yield was 776 gallons for each cow, and the total yield was 1,096,000,000 gallons. The amount of milk used in manufacture was 79.4 per cent. In the Netherlands the number of cows was 1,492,000 and the yield was 880 gallons for each cow, the total production being 1,313,000,000 gallons. An amount of 72.7 per cent of the production was used in manufacture.

I shall confine my comments to the production of butter. Margarine, it is contended, is a competitor of butter. The amount of butter produced in Australia for the year ended June, 1959, was 3,877,000 cwt., in New Zealand it was 4,426,000, in Denmark it was 3,096,000, and in the Netherlands it was 1,810,000. During the same year the home consumption of butter was:—

Cwts.	Country.
2,301,000	Australia
8,083,000	New Zealand
1,203,000	Denmark (which is the highest on record for that country)
1,087,000	Netherlands (also the highest on record for that country)

The per capita consumption for the various countries was:—

Lbs.	Country.
25.9 . . .	Australia
42.7 . . .	New Zealand
29.8 . . .	Denmark
10.8 . . .	Netherlands

All those countries manufacture far more margarine proportionately than Australia and certainly more than South Australia.

The Hon. G. O'H. Giles—Do they make it of the same ingredients?

The Hon. S. C. BEVAN—Precisely. In 1958-59 Australia exported 1,546,000 cwt. of butter, New Zealand 3,483,000, Denmark 2,258,000 and the Netherlands 869,000. The largest proportion of the Netherlands production went into home consumption. The value of Australian butter exported for the year ended June 30, 1959, was £25,000,000, whereas in the previous year it was only £15,600,000. I have been unable to ascertain the Australian figure to June 30, 1960, but it will be interesting to see what it is. Moreover, the Australian dairying industry is subsidized by the Commonwealth Government by approximately £13,500,000 annually, in addition to which there is a considerable sum in the Stabilization Fund which is intended for the use of the industry should it be necessary at any time. Honourable members are well aware that the most commonly used oils in the manufacture of margarine are peanut, coconut and cottonseed oils, all of which are grown in Australia, and the only time they are imported is when the demand exceeds the local supply.

The Hon. G. O'H. Giles—That is all the time.

The Hon. S. C. BEVAN—The restriction of the growth of the margarine industry therefore would also restrict the production of those oils. The honourable member tried to lead us to believe that all those oils are imported by big manufacturing companies, but he mentioned only Unilevers. I suggest that he intended to convey the impression that all of those oils used in the production of margarine were imported, whereas the truth is, of course, that they are grown locally.

The Hon. G. O'H. Giles—Not for margarine production.

The Hon. S. C. BEVAN—I will answer that by quoting the Commonwealth Minister for Primary Industry who, replying to a question, said:—

Animal fats and oils are produced in Australia and imports are allowed only when there is a shortage of Australian production.

The Hon. G. O'H. Giles—Animal fats, yes.

The Hon. S. C. BEVAN—And oils used in the manufacture of margarine. According to the Federal Minister they are imported only when the demand exceeds the local supply.

The Hon. G. O'H. Giles—But table margarine is made of vegetable fats and the honourable member is dealing with animal fats.

The Hon. S. C. BEVAN—I have mentioned the oils used, in conjunction with vegetable fats, in the manufacture of table margarine.

The Hon. G. O'H. Giles—Where is cottonseed oil produced?

The Hon. S. C. BEVAN—In Queensland.

The Hon. G. O'H. Giles—Nonsense!

The Hon. S. C. BEVAN—I suggest that the honourable member should go into the matter as carefully as I did and he will find that those oils are produced in Queensland and are used in the production of margarine; and the Federal Minister controls imports while there is an adequate supply in Australia. The honourable member in trying to wipe out one industry is therefore wiping out another which is attempting to get on its feet in Queensland.

The Hon. G. O'H. Giles—I dealt with that.

The Hon. S. C. BEVAN—The honourable member referred only to peanut oil. At no time did he refer to other vegetable oils used in the manufacture of margarine.

The Hon. F. J. Potter—Is maize oil used?

The Hon. S. C. BEVAN—To the best of my knowledge, no.

The Hon. G. O'H. Giles—And saffron oil, as well? That is not grown.

The Hon. S. C. BEVAN—Dealing with nutritional values the honourable member quoted Dr. Peterson who is making an investigation of the dairying industry in this State. In reply to that I would like to quote from a book published by Dr. R. G. Hutchison, a graduate in science of the University of Tasmania, and a doctor of science of the Melbourne University. Dealing with the manufacture and use of margarine he said:—

Margarine is fortified with vitamins A and D and is comparable with butter.

He went on to say:—

The nutritional value of margarine is equal to that of butter.

The Hon. G. O'H. Giles—As far as he knows.

The Hon. S. C. BEVAN—I do not ask members to accept my assertion, but if they care to examine Dr. Hutchison's book they will find that I have quoted him correctly. The production of margarine has increased in all overseas countries where it is used, with the exception of the United Kingdom. There production and consumption was considerably reduced in the year 1958-59.

The Hon. F. J. Condon—Butter could be bought for 1s. 6d. a pound then.

The Hon. G. O'H. Giles—In that one year.

The Hon. S. C. BEVAN—Owing to heavy supplies of butter in that year the price fell considerably and this naturally increased the demand, and diminished it for table margarine. However, the manufacture of

margarine has increased in all those dairying countries that I have mentioned. It is of interest to note that the production of margarine was prohibited in Canada until December, 1948. In 1958-59 Canada produced 1,300,000 cwt. of margarine, but the consumption of butter exceeded that of margarine by more than 10 lb. per capita. Therefore, it does not appear that margarine will oust butter there. The restriction of manufacture in South Australia is definitely unjust and unfair, particularly when we compare our quota with the quotas of the other States.

The Hon. Sir Arthur Rymill—To whom do you consider it unfair—the manufacturer or the consumer?

The Hon. S. C. BEVAN—The Government's attitude on the quota in this State is definitely unjust and unfair to the population when our quota is compared with the quotas in the other States. Queensland, New South Wales and Victoria are primary producing States just as much as South Australia is.

The Hon. G. O'H. Giles—Is the quota in Victoria higher than South Australia's?

The Hon. S. C. BEVAN—I will give you all the quotas and population figures, which is something the honourable member did not know himself. In 1958 the Agricultural Council fixed quotas for the various States based on population, as follows:—In Queensland, with a population of 1,447,198 the quota was 4,236 tons—6.6 lb. per capita; in South Australia, with a population of 934,427, the quota was 528 tons—1.3 lb. per capita; in Victoria, with a population of 2,842,903, the quota was 1,196 tons—1.1 lb. per capita; in New South Wales, with a population of 3,790,270, the quota under the Act was 9,000 tons—5.3 lb. per capita. The New South Wales Dairy Industry Committee inquired into the ramifications of the manufacture of margarine and its effect upon the dairying industry. In the *Sydney Morning Herald* of December 4, 1959, under the heading "Margarine is neither black nor green", the following appeared:—

Margarine is beginning to emerge from the deliberations of the Dairying Industry Committee as no longer the all-black villain it once was painted.

This committee made inquiries in other States as well as in New South Wales. The following statement is attributed to Mr. A. C. Small (Director of Marketing, New South Wales):—

The quota legislation applying to the manufacture of table margarine controls the competition of this product with butter. The committee has already heard the story of the

decline in the local consumption of butter from 31.2 lb. per head of population in 1952 to 25.9 lb. today.

Mr. Small did not seem to think that more repressive legislation at the expense of margarine would bring any great advantage to butter.

The Hon. G. O'H. Giles—The damage had been done.

The Hon. S. C. BEVAN—The Act in New South Wales allows the manufacture of 9,000 tons a year. The 16,072 tons of table margarine produced each year amounts to 3.6 lb. per capita. Mr. Small was satisfied that a large proportion of this amount was used for cooking and as such did not displace butter. He advocated the production of highest quality butter more attractively packed. I cannot understand the reason for the difference between the production figure quoted by Mr. Small and the 9,000 tons provided for in the New South Wales Act. Apparently South Australia has been the only State to honour the agreement. If South Australia's quota were increased by another 50 per cent only another half pound of margarine per capita would be available, and I cannot see how that would affect the dairy industry.

The Hon. G. O'H. Giles—Or pensioners?

The Hon. S. C. BEVAN—It would have a big effect upon them, because the retail price of table margarine is 3s. a pound, whereas the retail price of butter is 4s. 11d. There would be a considerable effect upon people with an income of only about £4 15s. a week.

The Hon. G. O'H. Giles—How many extra pounds of margarine would be purchased?

The Hon. S. C. BEVAN—I would not have margarine in my place, and I am not the only person in South Australia to act that way, but if more table margarine were available for purchase a number of pensioners would benefit. The demand in South Australia for table margarine far exceeds the supply. People cannot understand why they cannot get table margarine from the grocer. They think he is trying to put something over when he says he cannot get supplies. This is happening repeatedly, particularly to New Australians, who cannot understand why they cannot get table margarine from the grocer. Why should there be such a restriction on table margarine?

The Hon. F. J. Condon—No other commodity is restricted like that.

The Hon. S. C. BEVAN—Of course not, and no industry is restricted in the same way as the margarine industry.

The Hon. Sir A. Lyell McEwin—What about overseas?

The Hon. S. C. BEVAN—I have some figures showing the overseas position, and if the Chief Secretary were to look at them he would get a considerable shock because they are illuminating, especially from the United States of America.

The Hon. Sir Frank Perry—What is the quota in Tasmania?

The Hon. S. C. BEVAN—It is 312 tons. Margarine is being imported into South Australia from the other States, which are getting rid of their margarine by sending it here.

The Hon. G. O'H. Giles—Where from?

The Hon. S. C. BEVAN—Victoria.

The Hon. G. O'H. Giles—Victoria has a lower quota than we have.

The Hon. S. C. BEVAN—Nevertheless, margarine is being brought here. If the honourable member is not aware of it he should go around his district and find out what is happening.

The Hon. G. O'H. Giles—I do not say that it is not happening.

The Hon. S. C. BEVAN—I have not heard the honourable member or the dairymen complain about it.

The Hon. G. O'H. Giles—What papers do you read?

The Hon. S. C. BEVAN—I read them all. Does the honourable member challenge my statement that margarine is coming from Victoria? He should be consistent. He said he was aware of the position and now he challenges what I said. If he is aware of what is happening there is no need to challenge my statement, but if he is not aware of it why doesn't he say so? In the year ended June 30, 1960, South Australia produced 6,007 tons of butter. This was an adverse year, the only one that we have had for years, and it may be the only one we shall have for years to come. The indications are that we shall have a bumper year in 1960-61. On a per capita basis the consumption of butter is 13.3 lb., but only 1.3 lb. of margarine. It is rubbish to say that an increase of a half pound of margarine per capita in South Australia would have a big effect on the dairy industry. A certain article is sold under the trade name of "Weetbix" and another under the trade name of "Rice

Bubbles'?. Both are supposedly breakfast foods. Does the honourable member suggest that there should be a restriction on "Weetbix" because it competes with "Rice Bubbles"? The only difference between the two is that one is supposed to come from wheat kernels and the other from rice kernels. In South Australia we grow wheat, but not rice. Should we say that the wheat industry should be assisted by prohibiting the use of rice kernels in favour of wheat kernels? One member wanted to know the quota in Western Australia. In 1952 the Western Australian Parliament amended the Margarine Act. They have a different way of amending legislation, for in South Australia we pass legislation amending a clause, but they pass a new clause. In their 1952 Act they amended section 25 of the principal Act by adding the following new clause:—

On and after the commencement of the Margarine Act Amendment Act, 1952, paragraph (a) of subsection (1) of section 25 of this Act shall be read as if the reference to the maximum quantity of 364 tons were a reference to the maximum quantity of 800 tons. Western Australia has a quota of 800 tons as against a quota in this State of 528 tons. If the 1956 increase in the quota was justified there is a sound reason to increase the quota today, because since 1956 our population has increased considerably, more than it did between 1952 and 1956. This Bill should be passed, and if it is we shall not be victimizing any particular industry, but we will be victimizing some of our population if we do not pass it. Surely we must be consistent in these matters, and if we are we must support the Bill.

The Hon. A. C. HOOKINGS (Southern)—This is the first opportunity that I have had in this Chamber to speak on margarine. There have been several debates in this place on the margarine quota. Today I listened with great interest to the Hon. Mr. Bevan's remarks in support of further increasing the margarine quota. He gave figures about quotas and production in various countries and States of the Commonwealth, and I urge members to look very closely at them for I think they should be considered mainly in relation to the economic conditions of the countries and States he mentioned. Can countries such as Denmark and Canada be compared with Australia, which is a comparatively new country? We are settling new land with dairy farmers. These other countries are closer to world markets than Australia, which means a greater expenditure on freight charges for us.

Today science is playing an important part in our progress. There have been great improvements in dairy farming and margarine production. A few years ago I was told by an agricultural councillor that 100 acres of rape, if allowed to go to seed, would produce more margarine than 100 acres of rape brought to maturity and fed to cows for purposes of butter production. That was a startling statement. I have little doubt in my mind that margarine could be made available to mankind with the vitamins and the proteins essential for good health, but in Australia we have to consider the dairy farmers. All members know that in some countries much rice is produced and many references have been made to the backward agricultural methods adopted in some of the Asiatic countries. We find that rice is today being produced under modern conditions and farmers are using fertilizers, pesticides and insecticides and are as up-to-date in farming techniques apart from mechanization as are farmers in Australia. Why aren't those half-acre plots consolidated into larger areas so that machinery could be used to produce rice in the same way that the people of Australia produce grain? If that were done what would happen to all those people who are employed in rice production? My views on the subject of margarine are similar in relation to the dairy farmers of Australia. We must ensure their means of livelihood.

It has been estimated that the Commonwealth Government is subsidizing butter production in Australia by £13,500,000 and I think the Government is doing that bearing in mind the same thoughts that I have. It is something which is essential for our country today.

The Hon. G. O'H. Giles—And it is essential for the future.

The Hon. A. C. HOOKINGS—Yes, it is essential for the future of our country, but I speak of South Australia in particular.

The Hon. F. J. Condon—Have many dairy farmers gone out of production?

The Hon. A. C. HOOKINGS—Yes, quite a few. We have, in South Australia, a soldier-settlement scheme of which we are very proud. From my knowledge of schemes in other States, I am able to say that those in South Australia are of a very high standard. Those who have been settled on the land are doing very well. Isn't it ludicrous for us, on the one hand, to settle dairy farmers on areas such as Eight Mile Creek—which is one I know in South

Australia—and establish them to produce whole milk, butter, and cheese and yet on the other hand to increase the quota of margarine? It does not seem sensible to provide £13,500,000 on the one hand, yet allow a direct competitor on the other. I claim that that action will reduce their chance to make a decent living and although that may not apply now it appears to be the thin edge of the wedge. We do not know where it will stop.

The Hon. F. J. Condon—I heard that in 1932.

The Hon. A. C. HOOKINGS—That may be so, and you are hearing it again now. The Hon. Mr. Bevan spoke of New Zealand. I have a list of quotas from other Australian States but I was unable to find a quota relating to margarine produced in New Zealand, a country which is a greater butter producing country than Australia. New Zealand has two exports on which it greatly relies and they are the export of butter and meat. I say there is no margarine quota in New Zealand, but I have no facts to substantiate that point and shall be pleased to hear if any honourable member can produce information to the contrary.

I now come to the question of economics and the effect of quotas on different countries and States. A quota of 4,236 tons was mentioned for Queensland. Is Queensland a dairying State?

The Hon. S. C. Bevan—Yes.

The Hon. A. C. HOOKINGS—Is it reasonable to think that any State with temperatures that Queensland has, which are more suited for sugar-growing and beef production, should have a greater quota basis? Considered in that light a similar position obtains in Western Australia. During the week-end I made inquiries regarding the sale of margarine in the Mount Gambier area and I found that 12 tons of margarine was being distributed each year to grocer shops, cafes, etc., in that area.

The Hon. G. O'H. Giles—Where did it come from?

The Hon. A. C. HOOKINGS—From South Australia. That quantity of margarine retails in the Mount Gambier area at 3s. a pound, which is the figure quoted by the Hon. Mr. Bevan. It is true that some of that margarine may come from over the border and some may be bought by dairy farmers to be used as table margarine, but even if that is so I claim a principle is involved and this margarine quota represents the thin edge of the wedge.

I shall not support any future increase in the quota of margarine in South Australia.

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

COUNTRY HOUSING ACT AMENDMENT BILL.

Read a third time and passed.

PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from September 6. Page 930.)

The Hon. R. R. WILSON (Northern)—This Bill affords an opportunity for members to refer to certain items, but I shall confine my remarks to the district I represent. I pay a tribute to the Chief Secretary for the way in which he delivered such a long speech. That was really a test of endurance and he excelled himself. I also pay a tribute to those responsible for the preparation of the many items covered in this Bill.

The Parliamentary Standing Committee on Public Works has experienced its busiest period on record during this year in the amount of travelling, the amount of evidence taken, and inspections made, and has prepared reports on 71 projects. The committee has done a mighty job. I was pleased to hear the Hon. Mr. Condon refer to the secretary of the committee, Mr. Allan Deane. Mr. Deane is respected by all members of Parliament, in addition to those on the committee, for his very pleasant manner, and his ability has already been commented on. I know it is essential that the committee's secretary be a man of ability. The committee is giving splendid service to South Australia, and Mr. Shannon, its chairman, has excelled in his important office.

The Hon. K. E. J. Bardolph—Doesn't that apply to all committees of Parliament?

The Hon. R. R. WILSON—I am speaking of this committee in particular at the moment. During this debate we have heard of the difficult times experienced by employees and I wish to comment on that subject. I am sorry that the Hon. Mr. Shard is not in the Chamber now because I wish to quote some of his words of yesterday. I have in my district a number of industrial areas and I move about amongst the employees but I have not heard complaints similar to those referred to by him. The employees generally seem to be quite satisfied. Yesterday Mr. Shard said:—“Apparently the employers and the Government feel that there is nothing wrong in

slowly poisoning a person to death. They feel that if he is given a small quantity at a time he will not feel it and therefore will accept it. If this procedure continues there will be a rebellion.

Members know that the honourable member has been appointed to the highest position in several unions in South Australia and he must have reached that position because he has the confidence of the majority of the members. I cannot believe that he really meant what he said yesterday about the future of the employers and the employees in this State.

I refer now to the line which deals with an amount of £134,000 for advances to settlers. I find that many cases of hardship exist so far as primary producers are concerned. Last Monday I visited Port Lincoln and was speaking to a number of producers there. I found that their lot was indeed a difficult one. Last year Eyre Peninsula experienced its lowest rainfall on record and that area is suffering as much today as any part of South Australia. Previous years were not good and settlers on small holdings engaged in primary production are feeling the pinch badly. There were no cereals for sale from some of our best farms last year and great difficulty was experienced in providing seed for this year. At the wool sale, which was held in Adelaide last week, the Port Lincoln manager of one of our leading South Australian firms told me that one of his client's clips was passed in at 1s. 4d. a lb. The dry conditions brought about a break in the wool and many clips were sold for 30 pence to 36 pence a pound. That is not a payable proposition and it does not meet the cost of production. However, primary producers are not crying and they will make a fight of it as they have done in the past. The banks have tightened up on advances and the people I have mentioned will have a very sticky patch to get over in the present year.

The Hon. K. E. J. Bardolph—According to today's papers they are going to have a bumper season.

The Hon. R. R. WILSON—They may have a bumper season, but they have to wait for that to come along. We have reached a stage in this State where we cannot depend as much on revenue from our primary production as we have in the past. The effect of uncertain seasons and lower prices undoubtedly will be felt in our standard of living. The amount provided for advances to settlers for permanent improvements including the erection of dwellings, pasture improvement, fencing, and so forth, will give a great lift to primary industry.

The Hon. F. J. Condon—Will we have to pay a higher price for wheat for local consumption?

The Hon. R. R. WILSON—I cannot say.

The Hon. F. J. Condon—The bulk handling of grain has been introduced but we have to pay more for it.

The Hon. R. R. WILSON—That is not the fault of the primary producer. In three weeks' time members of Parliament will be visiting the Leigh Creek coalfield. As we see from the Bill that £1,293,000 is to be provided for expenditure on the coalfield we have something to look forward to. Of that sum £313,000 is for the purpose of providing an electricity supply on the coalfield. A 132,000-volt transmission line is to be laid from Port Augusta to the field so we will be taking our natural resources from Leigh Creek to Port Augusta, converting it into electrical power and taking it back to the place from which it was derived. A new walking drag line excavator, the largest in Australia, is to be purchased at a cost of £814,000. It will have a bucket capacity of 18 cub. yds., its weight will be 900 tons and it will handle 4,000,000 tons of over-burden annually. Coal production will be increased to 2,000,000 tons annually in order to meet the requirements of the power station at Port Augusta when the B sub-station is completed.

A sum of £127,000 is provided for the Harbors Board. We hear much about the new roll-on roll-off ship the *Troubridge*. At Kingscote on Kangaroo Island £42,000 is to be spent on improving wharf facilities to serve this vessel and £40,000 will be spent at Port Lincoln for the same purpose. This is a town with a very rapidly increasing population. However, it is a town without an industry, except super-phosphate manufacturing and the freezing works which handles primary produce and serves the fishing industry. Admittedly, the geographical position of Port Lincoln is difficult for the promotion of industry, but I hope that the Government will endeavour to encourage the establishment of some kind of manufacturing there in the future.

The Hon. F. J. Condon—A lot of money has been spent there lately.

The Hon. R. R. WILSON—Yes, and much revenue has come from there also. Unfortunately, there is no avenue for the absorption of young people and the parents are very anxious that there should be something there to obviate the necessity of sending their children to the mainland to find avocations.

Now that a sealed road extends all the way from Adelaide to Port Lincoln a great many people who like to undertake long drives will undoubtedly visit that centre, and Port Lincoln is making provision for increased numbers of visitors; new additions to the caravan park are being built in anticipation of future requirements. On the hospital project £320,000 is to be spent and of this £2,000 is to be spent on initial work this year. There is to be a two-storey building to provide for 71 patients, as well as a home for 37 nurses. This town has no superior in scenic attractions in South Australia, but its future depends very much on the new ship that is to be introduced and on the patronage of tourists.

Under the heading of Engineering and Water Supply, £120,000 is provided for a pipeline from Lincoln Gap to Iron Knob and £264,000 on the installation of pumping plant in order to keep pace with the rapid development of Whyalla. A water scheme has been recommended for Booleroo Centre at a cost of £250,000. This scheme is a departure from that which the local people envisaged. The estimated revenue is 2½ per cent on the capital expenditure plus a saving of 18s. a thousand gallons for pumping. There are few water supplies in South Australia that return as much as this on capital. However, many of the people in the northern district are disappointed because at one stage it was understood that it was the Government's intention to duplicate the Morgan-Whyalla main with a new pipeline via Booborowie. Suddenly this scheme has been altered and the new main, it is understood, is to be almost parallel with the old. The complaint of the people is that had the new main gone the way first intended they would have been required to pay only for the water consumed, but if a spur line is taken out to them their land will be rated as well.

The Hon. W. W. Robinson—Under either scheme if they have a water service they will have to pay rates.

The Hon. R. R. WILSON—That was not their impression. A new water supply also is to be provided for Melrose, one of the most beautiful towns in the north. Hitherto, it has been handicapped by the lack of a good supply; the small quantities available have not been of good quality, but the department has now found a very good bore and provision is made under this Bill for a storage tank and pipeline to supply the town.

The Hon. F. J. Condon—They are not so badly off as Kimba.

The Hon. R. R. WILSON—No. The Government is making every endeavour to overcome the difficult position at Kimba and it is not for me to say whether or not it is economical to extend a main from Iron Knob to Kimba. That is a distance of about 70 miles and the country *en route* is not very productive, so that the problem is very difficult. However, I appreciate the way in which the Government is endeavouring to meet the situation. It is the township of Kimba that is suffering the most. This town is in a very good cereal and mixed farming district and it is unfortunate that the position is such that the huge cost involved in providing a water supply makes it uneconomical.

Last Monday week I visited Renmark and I am glad to note that £50,000 is provided for work on the Blanchetown bridge. Good progress has been made already on the approaches, and the bridge will be completed in 1964. That the importance of the river towns is recognized by the Government is shown by the large amount provided for them under this Bill. Four small bridges costing £80,000 are to be constructed between Renmark and Paringa on the Sturt Highway and this will be a great boon to users of that important road. Altogether £101,000 is provided for irrigation—£11,000 for pumping plant electrification at Berri and £18,000 for the same purpose at Moorook. A sum of £34,000 is provided for a 1,000,000 gallon storage tank with chlorination plant at Barmera, £16,000 for the Berri township water supply, £4,000 for improvements to the Kingston water supply, £8,000 for the installation of pumps and drainage scheme for the Cooltong area and £9,000 for drainage channels at Moorook. Whilst at Renmark I had the opportunity to visit the site of the proposed new dam, and I believe that you Mr. Acting President (Sir Frank Perry) also had the opportunity to see the great potential that lies in this scheme and how important it will be for the future of South Australia.

There are many other items to which one could refer, but I think it sufficient to say that the Government is expressing its confidence in the future of South Australia by the way it is achieving a balance of Loan expenditure throughout the State. I have much pleasure in supporting the Bill.

The Hon. L. H. DENSLLEY (Southern)—I am pleased to support the Bill and congratulate the Government on having obtained sufficient Loan money to continue with the provision of facilities and amenities necessary

for a very quickly growing population. The borrowing of money for public works is growing rapidly, as has been evident from discussions in this place in the last few weeks. Obviously, it is necessary to make certain borrowings when there is not sufficient capital in "kitty" to provide for these things. I congratulate the Government on maintaining a very good balance in its expenditure from both Loan sources and revenue. It is providing large sums for water reticulation, hospitals, schools and housing, but there must always be a considerable lag in these things that cannot be met for some time. Nevertheless, the Government is making good progress and the balance it is achieving is excellent. Much has been said in this debate regarding wage increases and the Government's representation before the courts. I believe it is essential in the interests of the proper economic development of the State that the Government must be interested in those particular matters. Recent advances in wages have increased costs to primary producers, who are the first to feel the impact of high wages and increased costs as they have to sell most of their produce on overseas markets. The fact that we are not getting as much work done for the same money as we were last year is having an effect in many ways. Articles in *The Murray Valley Standard* emphasize the effect on district councils in the Murray Bridge area. I quote:—

Mobilong Council joined the unhappy procession last Friday by declaring a general rate of 3s. 2d. in the £ (based on improved values) compared with 3s. last year . . .

This 2d. is expected to be fully absorbed by marginal increases for employees and higher costs of materials and services.

Murray Bridge Corporation set its rates a fortnight ago. The overall increase here is 2d. in the £, and a minimum rate of 5 is declared.

Town ratepayers are committed to an extra £4,600 pay-out but even this added revenue will leave the Corporation £3,000 short of anticipated expenditure for the full year.

Dealing with Mannum, the article says:—

Mannum Council has increased the rate by 1d. in the £ but here again it has been made plain that the extra bite will almost certainly not produce any increase in the amount of roadmaking and associated works undertaken . . .

Meningie Council has put up the Taillem Bend rate 1d. in the £ to 2s. 7d. and it is planned to put aside the revenue thus gained (approximately £250) for work on the show-ground. Meningie Council, which will leave the imposts of other wards unchanged, faces a difficult task in maintaining normal services in the face of all round cost rises.

In speaking of the increases, the Clerk of the District Council of Mobilong said:—

The recent marginal increases in wages and salaries would absorb the equivalent of 1d. in the pound, and the expected costs of other services, also caused by the marginal increases, would absorb most of the other 1d. in the pound of additional rates. . . . Councillors at the special meeting had all expressed regret at the necessity for raising the rates, particularly in view of the current trend of rising costs and lower returns for primary producers. The Government must consider these matters if our primary production and overseas exports are to be maintained and the people clothed and fed.

The Hon. F. J. Condon—What does the honourable member suggest?

The Hon. L. H. DENSLEY—Other sections of the public are as important as the labourers who receive basic wage increases. The Commonwealth Minister for Primary Production (Mr. Adermann) said recently that primary production accounted for almost 80 per cent of Australia's exports, including wool 44 per cent, meat 11 per cent, and wheat and flour eight per cent. The value of meat exported was £100,000,000, butter £22,000,000 and cheese £5,000,000. The Hon. Mr. Condon will be pleased because flour exports increased from 399,000 tons in 1958-59 to 512,000 tons last year. I am sure that Mr. Condon is entitled to a no small meed of praise for this. The number of employees engaged in primary production has declined in recent years. In 1942-43 the occupiers of primary production properties numbered 21,700, in 1957-58 the figure was 26,557. Family workers on farms working without pay numbered 5,013 in 1942-43. In 1957-58 the number had decreased to 2,800. This shows that there is remunerative work for those people, if not on farms, at least in other industries. The number of paid employees in 1942-43 was 7,989, and it had increased to 8,420 in 1957-58. The number of people actually engaged in primary production in South Australia is very small compared with those employed in secondary industries.

The total value of primary production in South Australia in 1956-57 was £165,595,000; in 1957-58, £136,697,000. In 1957-58 the net value of the total primary production was £112,520,000, and the total of secondary income was £133,285,000. These figures prove the importance of our primary industries and the great necessity for wages and conditions to compare with those governed by our export industries. There are many small dairy farmers and wheatgrowers who have had a considerable decrease in income in the last

year or two, partly because of the drought and partly because of lower prices. On the other hand there was a substantial increase in the price of wool last year, and also in the quantity of wool grown in the Commonwealth. It is important that the costs in primary industries and in all other industries should be kept as low as possible if we are to compete with other countries and keep this country on a sound footing. I am concerned to see that we have the best standard of living possible, but it is not always the amount of money paid that decides that standard. The Government has been fully justified in the interests of our economy in taking steps to protect the interests of the people generally. I support the Bill.

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

CELLULOSE AUSTRALIA LIMITED
(GOVERNMENT SHARES) BILL.

Adjourned debate on second reading.

(Continued from September 6. Page 931.)

The Hon. Sir ARTHUR RYMILL (Central No. 2)—I do not propose to delay the Council much longer on this Bill, but I feel that I should indicate my attitude on the matter when a Bill of a similar character was debated in this place in 1957. The same sort of principles and considerations arose then, and I feel exactly the same now as I did then. I commenced my speech then by saying "I support this Bill because it is obviously only commonsense to do so". I repeat those words because I feel it is clear and obvious that the Government must take up its rights and the convertible note issue because, as I have said, if it had to put all the rights on the market at the same time it would probably have the effect of depressing the market price considerably and would interfere with other shareholders in the company who want to sell their rights. I said then, and I repeat it, that I do not think the Government should go on holding these shares in perpetuity. I feel that as the opportunity arises the Government should quit being a shareholder in the company.

I understand that its shareholding arose largely from the fact that years ago the company was in financial difficulties and needed Government support. I think the Government took up the shares as a result of a recommendation by the Industries Development Committee so that the company could continue. Since then the company has been

eminently successful, and it has now reached the stage of development where it is not only regarded in high esteem but its shares rank on the market at a number of times the par value. This seems to be an excellent time to sell. I think Government assistance should be reserved for companies that need it. The proceeds of the sale of the Government's shares could be funded and used for helping other companies that find themselves in the same circumstances as this company did some years ago.

I am not keen on one part of the Bill. It not only authorizes an offer to be taken up now, but it foreshadows 12 months hence a further issue. That means that Parliament will be meeting for a considerable period before the issue is made, and if this particular clause is not passed the Council will be able to consider the issue on its merits at the proper time. I feel that that is the right procedure to be adopted. We should not authorize, particularly when some of us feel that the Government should be quitting its shares, the acceptance of an issue that is only foreshadowed, and is 12 months away. If this provision were accepted it would confirm that we consider that the Government should continue to hold shares in perpetuity.

I feel that our Government should follow the admirable example recently set by the Commonwealth Government in quitting its shareholdings in various companies that it had assisted in the past when they needed assistance, and various Government activities that the Commonwealth Government felt could be better conducted by private enterprise. If profit is the motive in our case, not only will the Government have done well out of the shares but as it is the owner of most of the forests supplying the raw material for the cellulose factory there is an aspect in which it could share in the profits, if that is what it is looking for. If it is looking for a way to assist the industry, and I think it is, that is an admirable way in which from time to time it could give assistance, quite apart from holding shares in the company. I support the second reading of the Bill, but in Committee I will express again the views I have just expressed regarding clause 3.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—"Power to take up notes and additional shares".

The Hon. Sir FRANK PERRY—I move the following suggested amendment—

To strike out subclause (1) (b).

Paragraph (a) provides for the purchase of notes that are due this month; consequently, any rejection of it would place the Government in an awkward position, and it may react against other shareholders in the company. The matter mentioned in paragraph (a) should have been dealt with by the Government earlier, and arrangements should have been made for the sale of rights when that was possible, but that was not done, so we must accept paragraph (a). Paragraph (b) empowers the Government to purchase the same number of shares next year.

The Hon. Sir Arthur Rymill—They will not be offered for 12 months.

The Hon. Sir FRANK PERRY—The offer will be made next September.

The Hon. K. E. J. Bardolph—Will the offer be made then?

The Hon. Sir FRANK PERRY—Yes, if we can accept the prospectus and statements by the company that an issue of three shares for two will be made in September next year. It is not necessary to go into the difficulties that might arise following on the investment willy-nilly by the Government in private enterprise shares, but occasionally it may be persuaded to take up shares as in this case. Very good reasons should exist before it should be persuaded to do that. At no time was it expected that the Government would continue to hold the shares indefinitely. The position, as most members know it, is that the Government assists an industry to start or when it is in difficulties, but it should not hold shares or have a quota in the shares of a company. The difficulties that arose in this case were self-evident to most people. The action in this matter leads to competition and favouritism. I am persuaded by my political beliefs to the view that shares in companies should be left to private enterprise. I ask the House to delete clause 3 (1) (b) of the Bill and the Government will not then be empowered, without reference to Parliament, to purchase shares that will be issued next year. Warnings were given in this Council a year or two ago, but the Government has taken no notice of them.

The Hon. Sir LYELL McEWIN (Chief Secretary)—I hope that the Committee will not accept the amendment. The Hon. Sir Frank Perry said it was all right for the Government to help an industry which was

down and out but as soon as it was successful the Government should get out of the business. I have heard no suggestion that the Government should pull out of the Electricity Trust and I have no doubt that the answer to that would be that it is a successful national undertaking that is doing a good job, and that therefore we should leave it alone. In this case because the industry is associated with afforestation it is argued that it should be considered in a different light. However, the circumstances are not quite those that have been expressed. The suggestion was that the legislation was to help a company that was unable to carry on under its own power or with the capital available to it. Reference to the original Act will show why it was passed. I refer to section 4 (2) of the Surplus Revenue Act, 1938. That is the meat of the Act but that will completely disappear if the Council follows the suggestion that the Government should dispose of its interest in this business. That subsection reads:—

Except with the approval of the Governor, the company shall not, while the Treasurer is the holder of any such shares in its capital, sell or dispose of the undertaking of the company, or any part thereof, or establish or carry on or join in establishing or carrying on (except as a subsidiary undertaking) any business outside the State.

We know very well what the position was when the £100,000 was voted for the purpose set out in the Act. It was to alleviate a situation which prevailed in the forestry industry in the South-East. The forests had to be thinned and we were told that the thinnings were worthless. The company was prepared to come in if we gave it the thinnings. Thinnings are now worth the substantial amount of 9d. a tree and that has much to do with the economics of afforestation, particularly when we consider that £1,300,000 has been further provided for the industry.

The expansion in the industry resulted from a request to the Government that some extra provision would be required to deal with the thinnings from the forests. The Government was really responsible for the request that this should be done, and it is being done. What is wrong with the Government remaining in the industry even if it is only to see that there is no take-over? This big industry is carried on satisfactorily and pays dividends of 14 per cent and surely this little amount that we are asked to vote from Loan funds is good insurance. Surely the Government should have some say in what happens because of

its specific interest in the success of the company.

Over the years the opposition to this Bill has changed its ground. When the legislation was dealt with in 1938 there was much opposition in this House on the ground that it was socialistic legislation. The other ground was that the Government was lending money and it should not risk its funds in that way. The story has now changed and the argument is that because the company is successful the Government should dispose of its holding to someone else.

The Hon. Sir Frank Perry—The Government would get the market value for it.

The Hon. Sir LYELL McEWIN—I know that, but the Hon. Sir Arthur Rymill showed good sense on that. He said if this volume of shares were placed on the market it would depress their value. If that is the position will it not be worse next year when more rights are put on the market? It is not proposed to sell the shares and for the reasons I have mentioned, namely that the Government has too much at stake in afforestation and because this industry is successful, I ask the House to vote against the amendment. I think all members believe in insurance and this is a form of insurance. I therefore ask them to support the Bill as it stands.

The Hon. F. J. CONDON—I remember when an attempt was made by Parliament to forego all its interests in afforestation, particularly in the South-East. I opposed the Government getting out of the business then and that is the attitude I now adopt. I appreciate the point raised by the Hons. Sir Frank Perry and Sir Arthur Rymill and they have every right to try to persuade me to act as they desire.

I remember when the Hon. Sir Frank Perry's predecessor spoke in this Council objecting to an amount being placed on the Loan Estimates for Leigh Creek coalfield. Later when the Electricity Trust Bill was before this Council it was defeated on the casting vote of the President. A special session of Parliament was called to re-consider the Bill, which was passed by one vote. Ever since those two incidents the people who opposed those measures have taken the credit for them. If this amendment is defeated we will probably be told again that the credit is due to them. The Hon. Sir Frank Perry wishes to apply his political beliefs to private enterprise, and I do not object to that, but in this case the Government

assisted an industry about which it was gravely concerned. The Government has been put to much expense to make a success of this undertaking and it should not be compelled to say that after a certain date it will not take any further interest in it. I oppose the amendment.

The Hon. Sir ARTHUR RYMILL—I support the amendment moved by the Hon. Sir Frank Perry and in doing so I put forward one or two points in reply to the Chief Secretary, who referred to the sum involved as "this little amount." I do not propose to argue whether it is a little amount or not because that is a matter of comparison, and I am not concerned with the amount of money but with the principle of whether the Government should keep on investing further moneys in this industry or indeed whether it should remain in it at all. The Chief Secretary said this matter is associated with Government afforestation and that is one reason why the Committee should pass this clause. There are many other things associated with afforestation such as transport, shipping, machinery and chemicals needed to treat raw materials, but I have not heard any suggestion that the Government, for that reason, should be getting into all those occupations. Its job has been afforestation and not the secondary industries associated with it. That is a different matter altogether. Even assuming that that argument were sound it is still no valid argument, especially in view of the section the Chief Secretary quoted from the Act, for increasing the Government holding. It could be an argument to suggest that it be retained.

The Hon. Sir Lyell McEwin—The same principle applies.

The Hon. Sir ARTHUR RYMILL—I do not think it applies at all. Even if it is justification for the Government retaining its present holding it is no justification for the Government continually increasing its holdings in this company.

If the amendment suggested by the Hon. Sir Frank Perry is passed it will not mean, as the Chief Secretary suggested, that the Government will get out of the business at all. I do not want my remarks to be inter-related because this is a different aspect and I am talking about the technicalities of this particular amendment, but I stress that the amendment is not designed to have the effect of putting the Government out of the business at all. The further mooted issue of shares is for September, 1961. There has been no offer made in respect

of those shares and there will be no offer made until 12 months hence, and Parliament will meet long before that, and that will be the time when it should be further considered, not now.

There is a further issue being talked about, but it has not been made and the company has stated that it will not be made for 12 months. Much could happen in 12 months and the considerations applying then may be very different from those applying now. In the meantime we are being asked to give a blank cheque for taking up the present issue and another issue 12 months hence of a similar amount. The terms that the directors have said will apply are that the issue will be three for two on the present holding at par, but there is nothing binding on the company to make that issue at par. The directors, in their wisdom, might well decide to make it at 100 per cent premium or at some other price, and it is very noticeable that the clause does not say the shares shall be taken up at par. The part the Hon. Sir Frank Perry moved to strike out states:—

- (b) Ordinary shares of the total face value of not more than one hundred and four thousand and thirteen pounds in the company.

That does not say what price shall be paid for them. There is authorization further on in the Bill saying that they may be paid for, but there is nothing to say what the price shall be. This is a blank cheque. Parliament will meet again long before any offer is made and the Government should break down this part of the Bill until members know what the circumstances are and what conditions exist, when the Council can give it the proper consideration it demands.

The Hon. Sir FRANK PERRY—I am somewhat disappointed and surprised that the Chief Secretary saw fit to oppose the deletion of this clause because I do not think it would cause any harm and it would create no difficulty, but the Government would not have a blank cheque on future occasions. The company has foreshadowed the price at which the shares will be issued, but in 12 months' time there may be different conditions relating to the issue. The whole principle of the Government's owning shares is so wrong and so difficult to justify that we should consider where it could ultimately lead if used indiscriminately. In this instance I do not think a great deal of harm is being done, but a dangerous principle is being established. In the original transaction I was party to persuading the Government to take up shares on a temporary

basis, but it has grown and grown until the Government's original investment of £20,000 has increased to £70,000, and it is proposed under this Bill to increase it by £208,000, which is three times the value of the investment as it stands today. I shall not charge the Government with greed, but I shall charge it with departing from the principles for which most Liberal Governments stand. On those grounds, the Committee would be well advised to inform the Government exactly where it stands, and in the interests of future Governments and those who are likely to have to consider matters of this sort, the principle should be established that wherever private enterprise can take up such shares the opportunity should be available to it. The Government makes a long story about the difficulty of obtaining Loan money, but for the £70,000 which it now has invested it could obtain about £370,000 in actual cash.

The Hon. Sir Lyell McEwin—You are advocating that?

The Hon. Sir FRANK PERRY—I am advocating that the Government cash in on it and use the money for the development of activities that it is bound to undertake.

The Hon. Sir LYELL MCEWIN—I must join issue with my friends opposite when they talk about blank cheques; that is a loose use of words. I would regard a blank cheque as something unlimited, whereas there is no suggestion in this Bill of unlimited powers. It is mere subterfuge to introduce such terms into the debate. I think Sir Frank Perry is more honest in his approach when he says, "Get rid of the lot and abandon the whole show." What is the purpose of introducing the question of transport and such trivialities into this debate? We do not own the transport facilities between Leigh Creek and Port Augusta, but no one suggests that because of that we should get out of the whole electricity undertaking.

This mill is an integral part of our forestry undertaking in which millions of pounds of public money have been invested. If we lose the opportunity of using our forestry thinnings—which we did not have until this company was in operation—the cost of that essential work would be a direct charge against the forestry undertaking. We have hundreds of millions of pounds invested in water schemes, but I have heard no suggestion that anyone wants to take them over.

The Hon. F. J. Potter—What other investments has the Government got in private companies?

The Hon. Sir LYELL McEWIN—None that I know of, because we are not concerned.

The Hon. Sir Arthur Rymill—You do not say that you have to make the pipes for the sewers.

The Hon. Sir LYELL McEWIN—No.

The Hon. Sir Arthur Rymill—That is what you are saying here.

The Hon. Sir LYELL McEWIN—Not at all. The honourable member talked about transport and so forth, but the cost of thinning the forests is a direct charge against the forestry industry, and unless the cellulose mill can keep pace with them, which it is doing successfully, we shall have no outlet for the thinnings.

Suggested amendment negatived.

The Hon. Sir LYELL McEWIN—The Parliamentary Draftsman has suggested to me that it would remove some ambiguity if subclause (2) were amended. I move the following suggested amendment—

In subclause (2) to insert “notes and” after “such”.

The Hon. Sir ARTHUR RYMILL—I agree with this necessary alteration because there is a distinction between notes and shares, and although the notes are convertible later they are definitely notes at this stage. Unless the amendment is carried, the Bill will not effectively authorize the allocation of money standing to the credit of the Loan Fund for the purchase of notes.

Suggested amendment carried; clause as amended passed.

Clause 4—“Disposal of shares.”

The Hon. F. J. POTTER—A similar amendment should be made in this clause, and I move the following suggested amendment—

To insert “notes and” before “shares” first occurring.

Suggested amendment carried; clause as amended passed.

Title passed.

Bill reported with amendments and Committee's report adopted.

Bill read a third time and passed.

Later, the House of Assembly intimated that it had agreed to the Legislative Council's suggested amendments.

PREVENTION OF CRUELTY TO ANIMALS ACT AMENDMENT BILL.

Second reading.

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

That this Bill be now read a second time.

The object of this Bill is twofold. First it will increase the monetary penalties under

section 5 of the principal Act relating to the ill-treating of animals from £25 to £50 and (in the case of the use of places for fighting or baiting of animals which are continuing offences) from £5 a day to £10 a day. The existing penalties have been in force for over 40 years and do not take account of the change in the value of money. It is not proposed to increase the maximum term of imprisonment. Clause 3 makes the necessary amendments.

Secondly, the Bill adds a new section to the principal Act covering the protection of captive birds. The new section prohibits the keeping or confining of birds in cages not sufficiently large to enable them to stretch their wings freely. There are two classes of exception. The first relates to the keeping of poultry and the second covers the keeping of any bird while in the course of conveyance, while being shown for a total period not exceeding 72 hours and while undergoing veterinary treatment. The penalty is up to £50 or six months' imprisonment. The new section is taken from the United Kingdom legislation which has been in force for many years.

The Royal Society for the Prevention of Cruelty to Animals has made representations to the Government on both the matters covered in the Bill and the Government for its part considers that the amendments should be made. The proposed new penalties are comparable with those in other parts of the Commonwealth. The second amendment is designed to prevent a form of cruelty which ought not to be tolerated and I believe that the English precedent is due which will commend itself to all members of this House. As regards the exemptions, it will be appreciated that exemptions of one sort or another are almost inevitable in most legislation. The justification for the partial exemptions—that is conveyance, exhibitions and veterinary treatment—is clear enough. Such exemptions are obviously necessary. With regard to the exemption in the case of poultry, without this exemption what are known as “hen batteries” would have become automatically prohibited and this exemption was included in the English legislation so as to allow such batteries to be used. Another reason is that poultry do not generally fly to the same extent as other birds even if they are unrestricted. The Government feels that the English experience in this matter should be followed. What the new section is primarily aimed at is the keeping of birds in cages of inadequate size for long periods—frequently for life.

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

MILE END OVERWAY BRIDGE ACT
AMENDMENT BILL.

In Committee.

(Continued from September 6. Page 933.)

Clause 3—“Amendment of principal Act, Section 2.”

The Hon. C. D. ROWE (Attorney-General)—I have made some investigations in response to the Hon. Mr. Bevan's inquiry about the small piece of land on the south-west side of the bridge. It is part of section 2 in the hundred of Adelaide and is held by the Municipal Tramways Trust under a freehold title in volume 1517, folio 89. This Bill does not affect that piece of land because it is not part of the land referred to in the Bill in the first instance. The future of this land will be decided as a result of negotiations between the M.T.T. and the Thebarton Corporation.

The Hon. Sir ARTHUR RYMILL—Would not this be the time to clarify this point? I support the Bill, but it seems that the trust is being relieved, and I think properly, of a fairly onerous responsibility in relation to this bridge. The land is ancillary to the bridge and was purchased in conjunction with the remainder of the land which was required for the erection of the bridge. It would be fair if this land was handed over to the corporation, which has the authority to make use of it, in consideration of its being relieved of its responsibilities for maintenance, rather than the corporation should have to pay something extra later if it is not included as part of this Bill.

The Hon. C. D. ROWE—I understand that this piece of land was not portion of the land which was under consideration in the original Bill relating to this bridge and therefore I do not think it should be taken into consideration now. It comes in the category of any other freehold land that the trust may hold, and if disposed of must of necessity be the subject of a separate Bill and separate negotiation.

Clause passed.

Clause 4 and title passed.

Bill reported without amendment and Committee's report adopted.

ADMINISTRATION AND PROBATE ACT
AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from September 6. Page 922.)

The Hon. F. J. CONDON (Leader of the Opposition)—The Minister in concluding the explanation of the Bill summed up the position by saying it was designed to streamline procedure, to save unnecessary delay and expense, and to operate not only to the advantage of the department but also for the benefit of the estates which came under its control. This Act has been before the House only twice during the last 26 years. The Bill relates mainly to the functions and duties of the Public Trustee. The office of Public Trustee was first created in this State in 1881. The principal functions of the Public Trustee are—

- (a) to act as executor trustee and administrator of deceased estates;
- (b) to control the estate of patients of Government mental hospitals;
- (c) when directed by the court to receive and invest and disburse moneys for the benefit of widows and children under the Workmen's Compensation Act; and
- (d) when directed by a protection order made by the court pursuant to the Aged and Infirm Persons Property Act, to control the protected person's property.

The Public Trustee is allowed a commission under the Administration and Probate Act and the amount received up to the end of June, 1959, was £83,487.

The Hon. F. J. Potter—That is for the year.

The Hon. F. J. CONDON—Yes, for the 12 months. The commission received failed to meet the expenses of administration by £3,345.

The Hon. C. D. Rowe—There was an excess of expenditure that year.

The Hon. F. J. CONDON—The Auditor-General referred to the 1959 report and has made certain suggestions which have been carried out. The value of funds and securities held in 1959 was just under £8,000,000. For the 12 months ended June 30, 1959, receipts from stamp and succession duties amounted to £3,884,000, the highest ever recorded. Succession duty was up by £86,000 on the figure for the previous year.

Clause 6 amends section 56 of the principal Act. Every administrator is required now to deliver a statement of accounts to the Public Trustee within six months. The amendment gives discretion to the Public Trustee for a longer period. Subclause (b) of clause 6 exempts limited companies from the requirements of section 56. Such companies are already exempt from the provisions of section 65 of the principal Act, which requires administrators to pay over moneys and deliver property to the Public Trustee.

Clause 10 repeals section 68 of the principal Act. This section empowers the Public Trustee or any administrator of an intestate estate to provide for the maintenance, education and advancement of persons under disability. This leaves the Public Trustee and administrators of intestate estates in the same position as other trustees. Clause 11 deals with a common

fund reserve account and transfers the reserve account to the Treasury.

Clause 12 increases the amount the Public Trustee may borrow from the State Bank with the approval of a judge from £20,000 to £100,000. Clause 13 amends section 106 of the principal Act, which relates to real estate and securities not to be disposed of by the Public Trustee without the approval of the Supreme Court.

This is legislation that can be favourably considered by members and I support the second reading.

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

ADJOURNMENT.

At 5.18 p.m. the Council adjourned until Tuesday, September 20, at 2.15 p.m.