

**LEGISLATIVE COUNCIL.**

Thursday, August 31, 1961.

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

**QUESTION.****VICTOR HARBOUR ROAD METAL.**

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

Leave granted.

The Hon. G. O'H. GILES: Some time ago I mentioned to the Minister of Roads the possibility of a supply of road metal in the Victor Harbour area. Has the Minister any information on the subject?

The Hon. N. L. JUDE: Yes, the Acting Director of Mines has reported as follows:

This is epidote-biotite-feldspar-quartz hornfels and formed by low-grade metamorphism. No structure is visible. The rock has a porphyroblastic texture. Two grain sizes are apparent, the medium-grained porphyroblasts of quartz (most abundant) and feldspar, and the fine-grained matrix of quartz, feldspar, and biotite. Biotite forms about 10 per cent of the specimen and occurs as directionless crystals which are often concentrated as aggregates around porphyroblasts. Only a few anhedral grains of epidote occur which are scattered randomly through the specimen.

The Hon. G. O'H. GILES: Might I ask the Minister whether he has an explanation that I can understand?

The Hon. N. L. JUDE: I rather anticipated that question. It means that the metal could possibly be used for screenings but it is of no use for basic road making.

**APPRAISERS ACT AMENDMENT BILL.**

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

**BULK HANDLING OF GRAIN ACT AMENDMENT BILL.**

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

**STATE LAND TAX ASSESSMENT.**

The Hon. Sir ARTHUR RYMILL: Have you called on the business of the day, Mr. President?

The PRESIDENT: Yes.

The Hon. Sir ARTHUR RYMILL: May I move the suspension of the Standing Orders to give me the opportunity to give notice of a question?

The PRESIDENT: The motion is: That the Standing Orders be so far suspended as to enable the honourable member to give notice of a question.

Motion carried.

The Hon. Sir ARTHUR RYMILL: I give notice that on Tuesday, September 5, I will ask the Chief Secretary:

What is the amount of the new State land tax assessment in each of the categories of the sliding scale of the tax?

**WHYALLA TOWN COMMISSION ACT AMENDMENT BILL.**

Adjourned debate on second reading.

(Continued from August 30. Page 635.)

The Hon. R. R. WILSON (Northern): I support this Bill with much pleasure. There is not much to be said about it, but it is of great importance because the Whyalla Town Commission is unique in Australia. There has never been any similar form of local government, and it has worked very successfully. I support the remarks of previous speakers. As a member representing this area, I congratulate the commission on having carried out its important duties so successfully over a period of 17 years or more. I also congratulate Whyalla, which, under the Bill, will become a city instead of a town. This is an objective to which many towns aspire. Whyalla appears to be one of the most promising and flourishing country towns in South Australia. I pay a tribute to Mr. Charles Ryan, the Chairman, who has held his office since the inception of the commission. Over the years he has done an excellent job. I appreciate how uncomfortable he must have felt at times to realize that the Governor, and six members of the commission, could terminate his services. The Bill will rectify that position.

Whyalla is one of the fastest-growing towns in South Australia. Nearly half of the houses built last year on Loan funds, and those being built in the present year on Loan funds, are at Whyalla. That shows what a wonderful future it has. With a large population of between 30,000 and 40,000 people who are expected to live at Whyalla, it will mean that there will be a much better market for Eyre Peninsula primary producers and also for South Australian industries. As the Bill will assist Whyalla to progress as anticipated I have much pleasure in supporting it.

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

FRIENDLY SOCIETIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from August 30. Page 636.)

The Hon. Sir FRANK PERRY (Central No. 2): This short Bill seeks to amend the Friendly Societies Act in two ways. The first proposal increases the benefits enjoyed by members of a society and the second allows a society to invest accrued funds in any way it desires, subject to certain restrictions. I do not oppose increasing the benefits to present-day money values, which undoubtedly have altered. If the funds of a society permit additional benefits to be paid to its members, they should be paid. I am somewhat hesitant about accepting the second proposal. The Chief Secretary referred to one friendly society in his second reading explanation, but the Bill relates to all societies, whatever the type and size. They are given the unrestricted right to invest their funds in any way, provided the permission of the Public Actuary is obtained. When the legislation was first considered it was customary for Parliament and the public to regard friendly society funds as trust funds and in this wisdom Parliament gave the societies certain power to invest their funds. It saw the security of the members was safeguarded. I think that is why we have our Trustee Act and the provision in the Friendly Societies Act.

Since that time, however, money values have changed and now there are different forms of investment. At one time preference shares were regarded as the safest form of security, but a change has taken place and now equity shares are more in favour. In the last one and a half decades there has been a great increase in the value of those shares. Investment in preference shares has declined, and in many instances so has investment by the public in Government loans. It is necessary now to give every encouragement to people to invest in Commonwealth loans. The Bill gives all friendly societies the right to invest in any type of security, and I presume that includes equity shares, although the Chief Secretary did not mention them. He spoke about corporation loans, Electricity Trust loans and Housing Trust loans.

The Hon. Sir Arthur Rymill: Adelaide Corporation loans, too.

The Hon. Sir FRANK PERRY: Yes, but they are already covered by the Act. Nobody objects to that type of investment, but I suggest that the Government and the friendly societies should not invest in equity shares

without having knowledge and experience of them. To do otherwise would be a dangerous procedure. I am not sure whether it is intended that the Public Actuary shall act as an adviser or merely approve or reject investments. Under the Bill the societies have the right to invest in any security, subject to his approval, but I do not know what that means. I think it all depends upon the person holding the position of Public Actuary, and what his views are. He no doubt will be a good man at figures and have knowledge of the past activities of a company, but this Bill necessitates a judgment on future values. At times he may be placed in difficult circumstances. Mr. Bardolph suggested that the Chief Secretary should replace the Public Actuary. We know the present Chief Secretary, and we know that he is a canny Scotsman and is careful and would be careful in approving any investment, but we do not know who will be the next Chief Secretary. Secondly, as Parliament has to make amendments to cover the future, it should carefully examine the Bill as introduced.

There are members of this Chamber experienced in business life, and who know that equity shares have increased in value by revaluation of assets due to inflation. Profits from these shares will not increase in the same ratio as they have in the past, and this increment may not be available to the investor in the future. Those conditions have involved inflation which is not wholesome for the economy of the country. We have a Trustee Act and this Bill seeks to make wide amendments to it in favour of friendly societies but at the same time denies the privilege to other trustee companies. The Government would be wise to re-examine the privilege or right that has been given to friendly societies in this Bill.

The Chief Secretary's explanation of the Bill mentioned that friendly societies can engage in business for the purpose of establishing a wholesale warehouse, presumably to supply chemist shops and dispensaries which the friendly societies control. Of course that provision is not in the Bill itself. Friendly societies have a limited number of shops which are supplying their members, and whether the wholesale businesses which they expect to establish will supply the general public with all types of lines which the average dispensary requires or will supply only the dispensaries which the societies own, was not made clear by the Chief Secretary. I presume that having the right to establish these warehouses they can and will trade with anyone they desire. They

certainly will have the power to do that, whether it is the power they seek or not, and trading could be extended far in excess of their own societies. There is a certain risk in that proposal. All big co-operative businesses do not make profits but are subject to ups and downs, and in many instances more downs than ups. I might agree with the proposal for them to establish warehouses to supply their own dispensaries, but whether or not the 30 or 40 dispensaries owned by the societies would be sufficient to keep a warehouse going I do not know.

Powers to invest in equity and other types of shares have been extended widely over the last decade, and some trusts, insurance companies, superannuation funds and similar institutions can invest according to their own judgment. Most of these trust funds have been set up by the owner of the money in the first case, and he can do as he likes in establishing that trust. Friendly societies, however, were founded on a different basis, and in altering that basis we have gone a little too far in this Bill, and I would like the Government to reconsider it. If it is not prepared to amend the Bill I shall feel it incumbent on me to move an amendment restricting the power provided by this Bill. I hesitate to take that course, because I am not as fully acquainted with friendly societies as the Minister who controls them, and I am not in a position to obtain the information which he can get. I would like the Government to reconsider the matter to see whether we are not putting other trusts of a similar nature in an awkward position, and whether we are not breaking faith with the establishment of this particular friendly society in introducing this Bill. We are establishing a precedent which may undermine the Trustee Act which covers trusts at the present time, and I suggest that the Government examine the Bill to see whether it is exactly in accord with its ideas.

The Hon. Sir ARTHUR RYMILL secured the adjournment of the debate.

#### PUBLIC PURPOSES LOAN BILL.

Adjourned debate on second reading.

(Continued from August 30. Page 634.)

The Hon. K. E. J. BARDOLPH (Central No. 1): I support this Bill, but point out that, as every honourable member knows, there is very little we can do about it. We are a House of Review and although this Bill pro-

vides for an expenditure of £30,748,000, all that can be done in this House is to make recommendations where we consider the expenditure is not of a profitable or progressive nature, and submit those recommendations to another place which has control of the purse strings. This debate affords members an opportunity of expressing their views on certain items of expenditure in the hope that the Government will heed the expression tendered in all good faith and, if anomalies exist in the proposed Loan programme, the Government in its wisdom and in the execution of its policy will presumably rectify them. As yet, I have not had any success in that regard.

The Hon. G. O'H. GILES: Perhaps you have not made any good suggestions.

The Hon. K. E. J. BARDOLPH: An old adage states, "From the multitude of counsellors there cometh wisdom", but apparently the Government does not think much wisdom emanates from us because the Executive is responsible for the moneys to be used for the advancement or otherwise of the State. I compliment the officers of the respective departments and the members of the Ministry, who are most fortunate in having such a bevy of departmental officers who are imbued with the principle of assisting South Australia to progress. It is on their advice, from time to time, and on their analysis of the respective problems which concern the State, that the Government relies. I pay a compliment to those members of the Public Service for the attitude that they have adopted over the years in performing their responsible duties.

I am not going to take honourable members to Walt Disney's Fantasy Land or into the bull ring because I do not think any member is qualified to take the part of the matador or the torreador. Therefore, I will let that idea rest.

The Hon. F. J. POTTER: What about the picador?

The Hon. K. E. J. BARDOLPH: He is in it, too. The whole problem of State Government administration is bound up in finance and it has always been said since we have had representative government that finance is government and government is finance. That is as true today as when the phrase was coined.

The Hon. Sir Arthur Rymill: When was it coined?

The Hon. K. E. J. BARDOLPH: I could ask the honourable member that because he would probably know better than I. We are

controlled by the Commonwealth Government, irrespective of its political complexion, because through the Loan Council and the Financial Agreement all State Governments are controlled by the Commonwealth Government. That brings to mind that in 1920, before the inauguration of the Financial Agreement in 1927, when each State had the authority and sovereign power to borrow money from overseas or from within its own confines, the New South Wales Government desired to borrow £2,000,000 to assist farmers but the Government's advisers said that it would be unable to do that and they set down certain terms and conditions which the Government refused to accept. As a consequence, the Government went to the people and history now records what happened: instead of the loan being subscribed to the extent of £2,000,000 it was over-subscribed by £3,000,000.

Again, in the same year, when £12,000,000 was due for repayment in Great Britain, the overseas financial hierarchy indicated that the Government would be unable to reconvert the loan and that the underwriters would be able to raise only £5,000,000. The State again went to the people of New South Wales and the loan was over-subscribed by £1,000,000. That should indicate to members what can be done and that we should not necessarily be tied to the chariot wheels of international finance. In the 1930's we had Sir Otto Niemeyer and Professor Guggenheimer in Australia to advise on financial matters and this resulted in the depression of that period. With the tying up of all States under the Financial Agreement we have become involved and enmeshed in the commitments of the Commonwealth Government in regard to its overseas indebtedness.

The Commonwealth Government does not earn or garner the money by way of overseas exports but this is done by the respective States by their financial policies from time to time and their progress may be thwarted by the economic advisers and the dictates of the Commonwealth Government in the Federal capital. That reminds me, when dealing with our present economic crisis, of a doctor who would attempt to prescribe for a man who died yesterday, because the policy pursued by the Government's advisers is that whenever a malady breaks out in our financial world they rush to put a plaster on it when the malady breaks out in another place. No over-all policy is pursued whereby all the States collectively and the Commonwealth can face this economic blizzard which is concerning the people of Australia.

Today 112,000 men and women are out of work. Capitalizing that on an average of £20 a week we get a purchasing power loss to the manufacturers and the traders of this Commonwealth of over £2,000,000 a week without taking into account unemployment relief payments. So long as these conditions are allowed to continue the people will be maintained in their present position of unemployment and in the slough of despond.

The Hon. F. J. Potter: You are coining a lot of phrases today.

The Hon. K. E. J. BARDOLPH: I always like to emulate Shakespeare, who had a poetic licence. I have not that licence to coin phrases but I do attempt to emulate him. I now come to the unemployment position in South Australia. I know that some of my honourable friends opposite perhaps will say that we must have a pool of unemployed persons.

The Hon. C. E. Story: I do not think you have any right to say that.

The Hon. K. E. J. BARDOLPH: I say it because I read it in the press. My friend will say that one cannot believe all one reads in the press; sometimes even the date line is wrong.

The Hon. Sir Arthur Rymill: Do you say that a member in this Chamber made that comment?

The Hon. K. E. J. BARDOLPH: No.

The Hon. S. C. Bevan: Mr. Menzies has said it many times publicly.

The Hon. K. E. J. BARDOLPH: If my friend, the Hon. Sir Arthur Rymill, reads the press diligently, as I know he does, he will find that the Commonwealth Treasurer and also the Prime Minister, who are of the same political complexion as my friend, have said it frequently. The last time that he made a statement on the economic position the Prime Minister said that we were on the up-grade.

The Hon. G. O'H. Giles: Why not bring in the article and read it, because what you say is not true.

The Hon. K. E. J. BARDOLPH: There are so many statements made that I would need a bound volume of the *Advertiser* to quote all that Mr. Giles' political friends have said about the unemployment position.

The Hon. E. H. Edmonds: Suggest a remedy!

The Hon. K. E. J. BARDOLPH: I will, and I will be looking for support from my honourable friend, and because I know his democratic outlook, he will support me. I will now refer to the motor industry in South Australia.

I have always been one of those who support Australian-made goods and I have supported industries in South Australia. During the years when I was President of the Adelaide Trades and Labor Council I was called upon to perform the duties of Chairman of the Disputes Committee when industrial disputes arose, and I have always attempted, and successfully on most occasions, to keep the wheels of industry turning. The motor industry in South Australia has received certain concessions from the Government of the State, but when the financial squeeze was placed on the economy of Australia we found that the motor industry in all States which had made colossal profits prior to November last had no compunction in laying off a large army of its employees who were responsible for assisting these companies to make their profits. They received very scant consideration; instead there was a callous and utter disregard for the employees in the industry which they had assisted to build. Then, in November last these companies had no compunction in retrenching a large number of their employees because they alleged that they had built up a stockpile, and that the financial squeeze had prevented the sale of their products. I think that honourable members will agree that any industry that has the complete co-operation of its employees should provide for the absorption of some of its profits to provide for such circumstances.

I now come to the question of other industries in this State; although perhaps not as big as the motor industry they are in a similar position. When business was flourishing and the economy was buoyant, the Commonwealth Government refused to place a brake on the inflationary spiral. These people were making colossal profits to the detriment of the spiral, which the Commonwealth Government is now attempting to arrest. I do not want to be called a calamity howler, but unless something is done immediately we shall find ourselves gradually creeping toward the position we found ourselves in in 1931. Our Savings Bank deposits have fallen. There is a reason for that; certain of the private banks are opening up savings bank branches. They have the power under the law to do it, and their reason is to get the deposits in the savings bank to provide funds in their business. Since the Commonwealth Government has been in power, no effort has been made to curb what we now term "fringe banking." Fringe banking has been permitted to continue by the Menzies Government and this has been responsible for the lack of public support for

Government loans on the market. We have vast finance corporations offering from eight to perhaps 10 per cent for short-term loans with virtually no security to the lenders. It is another way for people to receive a higher rate of interest which has enabled fringe banking to reach such a crescendo. The ordinary wage-earner and the man in the street uses the Savings Bank as a security and this enables the State Government and the Housing Trust and other developmental institutions to borrow money from that bank for home building and other purposes.

The Commonwealth Government has done nothing to curb these private finance organizations. We have had vending machine companies offering 20 per cent on money lent to them. I do not want to recapitulate what has happened to some of these organizations other than to say that many of those who were so avaricious in desiring such a large return on money invested have had their fingers burned. I sympathize with them. That is why we find that the Government has to keep pace with the high rates of interest offered by the fringe banking institutions. It has been forced to increase its interest rates on recent loans. I charge the Commonwealth Government as being responsible for the present position in Australia.

I know that I will be twitted with bringing politics into this debate, but I want to remind honourable members that from 1941 to 1949 not one penny piece was borrowed outside of Australia. We had war savings certificates and loans and the reason for the success of those loans was that we had a Government in control of the Treasury benches at Canberra which commanded the confidence of the people of Australia. In contrast, we now have the lack of confidence being displayed from time to time by people in the Menzies Government. Australia spent £1,000,000 a day in prosecuting a war. It was then not a question of finance, but one of manpower and materials. Controls were necessary during that period, because we were fighting for the preservation of our way of life. It is equally necessary now on the humanitarian side to place every Australian in work and to provide the necessary money whereby this can be done in carrying out a reproductive programme for which Australia is crying out aloud. The Menzies Government approached the International Monetary Fund for money on many occasions since being in office. It is not incumbent upon this organization to lend money to a subscriber

country. It can determine where that subscriber country shall borrow money. It can say that the money shall be borrowed from private lending institutions overseas. In 1927, prior to our entering into the Financial Agreement, Australia's debt per head of population was £166 19s. 11d. By 1960 it was £341 17s. 11d., most of it being interest payments. Members can see the extent of our indebtedness internally and externally, all because of the maladministration of the present Commonwealth Government and previous Liberal and Country Party Governments. Posterity has to bear this burden as a result of inefficient government.

The Hon. C. R. Story: You have a funny twist today.

The Hon. K. E. J. BARDOLPH: I believe in espousing a principle and if it hurts my friend I am not concerned about it. I have a great regard for the conduct of the Adelaide University, and for its professors and lecturers. The University has turned out some eminent men from the various faculties, and some have become world renowned. In connection with universities generally there has been interference, misguided perhaps, by the Commonwealth Government. First it set up a commission, which brought in the Murray report, which I thought was a good one. Then it set up another commission to investigate the needs of all universities in Australia, but its report gave information that we already knew and provided no solution of the problem. The Commonwealth Government has now set up another Universities Commission and a laudable man from South Australia, Sir Keith Angas, has been appointed a member of it. The Adelaide University, with other universities in Australia, is in a somewhat parlous financial position, yet it can be rightly claimed that our University has had some of the largest benefactions of any university in Australia. Because of the way the money has been tied up the return from the benefactions, on present day monetary values, is not very great. Consequently, the University lacks money to adequately pay the professors and lecturers on a similar standard to other States. I think the University Council has worked wonders. It has tried to stretch the Australian pound sufficiently to meet all the exigencies of the situation.

The Hon. Sir Arthur Rymill: The State Government has assisted the University.

The Hon. K. E. J. BARDOLPH: Yes, but I am referring to the Commonwealth Government, which has, in many instances, evaded its

responsibilities to universities. It is time that this Government took a firm stand to provide buildings for the universities, and to see that the professors and lecturers and others responsible for providing higher academic education are adequately paid for their services.

The Hon. F. J. Potter: Do you say that the professors and the lecturers are underpaid?

The Hon. K. E. J. BARDOLPH: Perhaps in some cases.

The Hon. Sir Arthur Rymill: Can you give instances?

The Hon. K. E. J. BARDOLPH: I will not itemize. I am giving an over-all picture. A number of our leading University lecturers go to positions elsewhere after they have been trained here. I do not blame them for taking these other positions, but their services should have been retained by our University by paying a salary somewhere near the salary offered to them by other institutions. I make it clear that I have not been approached by any member of the University Council or the University itself to put forward these views, but from my observations, and remarks by people who hold responsible University positions, I gather that many of the people trained at our University go elsewhere to get higher salaries.

The Hon. F. J. Potter: All do not leave for that reason.

The Hon. K. E. J. BARDOLPH: Some do, and some because the facilities are not sufficient to permit them to do research work. Many factors come into the matter.

The Hon. Sir Arthur Rymill: You would not expect our University to pay the same salaries as leading universities in other parts of the world?

The Hon. K. E. J. BARDOLPH: I am talking on an Australian basis. The honourable member cannot side-track me on that issue. Now I come to the unemployment position in Australia. Because of the financial squeeze we have about 113,000 people unemployed. Australia will not get back to an even keel financially until we have a Labor Government gracing the Treasury benches. Automation comes into this matter of unemployment. Last week I asked the Chief Secretary whether the Government would consider setting up a committee to investigate the impact of automation on our economy.

The Hon. C. R. Story: Did your ancestors oppose the steam engine?

The Hon. K. E. J. BARDOLPH: I do not know: I was not there at the time. I do not oppose automation. The Labor movement is not opposed to it, but any benefits accruing

from its implementation should be shared by the whole community and not by a few people. I asked the Chief Secretary whether the Government would take appropriate action to meet the impact of automation. He told me that the Department of Labour and National Service in Canberra was watching the issue. The Australian Council of Trade Unions has during the last five years approached the Commonwealth Government, and has set up committees in every State through the Trades and Labour Council. It is not the responsibility of trade unionists to solve the problem, but it is the responsibility of society through its Government. Because of the impact of automation, within the next five to 10 years there will be tens of thousands of people in Australia who will be displaced from their ordinary employment. Another chaotic position will be created because these people will have to find other employment. Perhaps a shorter working week or the people being directed into other gainful employment may be the answer, because they have a right to demand that something should be done.

This Government should co-operate with the trade union movement in this State to formulate a practical policy to lessen the impact of automation. I hope the Government will be wise enough to see that something is done to prevent unemployment, and that South Australia will progress as every one of us desires it to progress in the interests of the people of this State.

The Hon. R. R. WILSON (Northern): I will confine my remarks to the clauses in the Bill, and not make an election speech similar to that we have just heard.

The Hon. K. E. J. Bardolph: I was not thinking of politics.

The Hon. R. R. WILSON: It can be seen that there is an election in the near future. I support the Bill. In the early stages of a session a number of money Bills are introduced, and their preparation must be a tremendous job. I compliment the Treasurer and the Government on the manner in which the Bills are presented. It is true that we cannot make any alterations, but they are severely criticized, which it is our privilege to do. The Treasurer receives all money from taxes and other sources of revenue, takes care of it and recommends to Parliament how it should be spent. He has to be exact in his work because whatever else is involved, finance is the basis of all undertakings. The manner in which the Chief Secretary explained

the Bill is deserving of some mention. It was a lengthy speech and he read it without a mistake.

I agree with the Honourable Mr. Shard that it is impossible for members to digest the number of items mentioned in this Bill, but do not agree with his remarks that it was a repetition of previous Public Purposes Loan Bills. I do not agree that no mention was made in the Bill to relieve unemployment, because much has been done by the Bill to create employment and to stem unemployment. Labour members are not the only ones interested in preventing unemployment, because nobody likes to see it. The Government is doing all in its power to avoid further unemployment and to lessen it in the near future. The reference made to the Commonwealth Government this afternoon was unfair, because a world situation has brought about the present circumstances and the Government is not to blame.

The Hon. K. E. J. Bardolph: Don't tell me that!

The Hon. R. R. WILSON: The honourable member had plenty to say just now to which some reply should be made. The items, Loans to Producers £260,000 and Advances to Settlers £208,000, both under the State Bank, will enable producers to build farm improvements, clear and develop the land and make water improvements. We know from the recent expenditure on War Service Land Settlement what it cost the Government to set up nearly 1,000 men on the land. There are many unfortunate young people who desire to go on the land but can get no assistance from their family. They have much pioneering work to do and they can only do this when aided by the items I have mentioned.

There are thousands of acres of virgin country in South Australia, particularly on Eyre Peninsula, which is really good land but which still has to be developed, and when it is cleared it is very productive. A fortnight ago, with the Hon. E. H. Edmonds, I had the opportunity of visiting the Kimba district and went to Buckleboo, which is 26 miles from Kimba. I was amazed to see the type of country, and was impressed with cereal crops yielding 9 or 10 bags to the acre.

The Hon. Sir Arthur Rymill: What is the rainfall?

The Hon. R. R. WILSON: It is 12½ inches, but there is a good subsoil and an underlay of clay.

Under the item Government Buildings and Land, I refer to school buildings, because we

have had a great increase in population. There are 688 schools today, with approximately 177,000 scholars and about 7,300 teachers. There are fewer schools today than there were in 1952. I refer to the proposed area school at Kimba, in a district which has a population of 1,500 people and 380 houses, and which produced wheat during the drought two years ago which was far better than that of any other district on Eyre Peninsula. Two grain silos have been erected at Kimba and Buckleboo. They would not be erected there by the bulk handling company if the company had not been attracted to the area.

The people in the area are most concerned over the proposed area school and it is well-known that if country people are to be contented we must provide adequate educational facilities for them because they wish to educate their children as fully as possible. Area schools have done much in South Australia in that direction. Recently the Public Works Committee recommended an area school at Kimba at a cost of £261,000 and Cabinet approved the building of the school close to the town on 8½ acres reserved for the purpose and held by the Education Department. Recently a member in another place asked a question regarding the commencement of the school. The Minister replied, but gave him no encouragement at all. He said that the Director of Education had in mind the provision of more urgent schools, but I do not know where they are. The Kimba area school is not placed on the high priority list and the Minister could not even hazard a guess when the building would be commenced or completed. I and others had an opportunity of inspecting the present area school a fortnight ago and I was amazed at the conditions under which the scholars worked. The school comprises seven or eight buildings dotted around in a small area. That happens in many places where area schools are established and when smaller schools are closed and the scholars are conveyed to a centre. School buildings are often transported with the children or are taken away when the children attend a centralized school.

In one classroom at the Kimba school the children were sitting with their backs to the wall facing other children in the room and that is not good enough for effective teaching. Other children were working in the workshop room and others were doing their work in an office nine feet by six feet. We cannot expect to get the best results from our children under those conditions. The children who are now attending that

school will have finished their education by the time the new area school is built because many country people cannot afford the high expense of college or high school education for their children. Therefore, they must be prepared to put up with the education that is provided locally. I hope the Minister of Education and the Treasurer will do all they can to see that the new area school is commenced soon because it is badly needed in the Kimba district.

Finally I wish to say a few words about the railways on Eyre Peninsula. The Minister was not here during the Address in Reply debate when I referred to those railways but I assure him that I appreciate the provision of £180,000 to enable the introduction of two 900 h.p. diesel-electric locomotives to that system. I do not know of any part of South Australia where production has increased as rapidly as it has on the peninsula with the ever-increasing clearance of land and its development. The railways will need to have much money spent on them to enable them to cope with the transport required.

An amount of £464,000 is to be spent on water schemes on the peninsula and that is badly needed because there has been little intake into the reservoirs this year and much pumping from underground sources will have to be undertaken. A deteriorating pipeline of 130 miles runs from Knotts Hill to Minnipa and that is to be replaced in the current year or as soon as possible. Altogether that work will cost about £4,000,000. It is a major undertaking and we appreciate the Government taking such an interest in that part of the State. I have much pleasure in supporting the Bill.

The Hon. G. O'H. GILES (Southern): I, too, rise to support the Public Purposes Loan Bill for 1961-62 and in doing so I join with other members in congratulating the Ministers, departmental officers and heads of departments who have worked so effectively in compiling this estimate of Loan expenditure for the coming 12 months. The sum of £30,784,000 is provided for capital works in the State and that will do much to help South Australia's forward progress and it will alleviate some of the problems that have been forced on the Government, often through causes not rising out of its actions. Before I deal with any particular item in the Loan Estimates I wish to correct statements made by the Leader of the Opposition yesterday. I interjected when the



Honourable Mr. Shard said that this Government had done nothing at all to alleviate the small amount of unemployment existing in South Australia today. At that stage the honourable member informed this Council that the Government had not, in fact, done anything at all to solve this particular problem. I interjected and said that the power line going through to the South-East was surely an example of action by this Government to alleviate the unemployment position. The Honourable Mr. Shard wrongly interpreted my statement, I believe, because the *Hansard* record is as follows:

The Hon. G. O'H. Giles: Such as the power line to the South-East?

The Hon. A. J. Shard: That would be work for highly skilled tradesmen. If the work on that line were done by labouring people my sympathies would be with residents of the South-East. I do not think they would like it to be done by labouring people who have had no training in the work.

The Hon. G. O'H. Giles: Don't you think that when completed that power line will be a means of providing more work?

What I said is completely true. When the power line reaches the South-East it will provide a tremendous amount of employment and it will be a means of industrializing the area and providing added wealth for the State in a way that, a few years ago, would have been totally unexpected in that area. That is quite true and I do not believe that even the Honourable Mr. Shard would argue against that as a basis. He went on to say:

The honourable member cannot have it both ways, and when he is put back in his box he should be big enough to say that he was wrong and not go on with it.

I have heard his colleague get up and demand an apology for something that was completely true, and now I am being accused of being small on a matter that I consider I was quite correct about. There is no doubt that the honourable member and members of his Party in both Houses will do anything they can at present to try to whip up what feeling they can over a set of conditions that does not apply. Anyone who suggests to me that this Government, of all Governments in Australia today, is not tackling the unemployment problem in a sensible and correct way obviously is very badly informed.

I do not necessarily look upon the South-East as being a Garden of Eden, but it is progressing in a way that will do a great deal to enrich this State in the next five years. I notice that in spite of minor troubles there is to be a big expansion programme near my

home town at the proposed oil refinery. This will result in further employment. The fact is that the Government, through its departments and instrumentalities, has absorbed vast numbers of people who had been unfortunate enough to be penalized by belonging to the motor industry. This fact will stand to the credit of the South Australian Government when the people vote in nine months, because I am convinced that this is the story that the Government will be able to tell the people, and it is one that is second to none in Australia today.

In answer to the Honourable Mr. Bardolph, who has just spoken, I would say that an editorial in the *News* makes it quite plain that the Menzies Government has treated Australian universities extremely well. It referred to the universities and their ability to progress and get conditions fitting to their standing in the community. The Menzies era will go down as the era of proper consideration being given to the universities of Australia. Obviously, some honourable members know more about that subject than I do. For instance, I know that people like the Honourable Mr. Densley, who attends University Council meetings with such diligence throughout the year, will no doubt reply to the honourable member far more effectively than I will on this topic. Whenever the Honourable Mr. Bardolph makes a speech, there is always a great deal with which I can agree and his speech this afternoon was no exception. I must join with him, perhaps in a far less able fashion, in congratulating the departmental chiefs and officers, particularly of the Housing Trust and the Electricity Trust. There is no doubt that their activities have been staggering. They have both played a tremendous part in the development of the State.

There is an item in the Estimates of £1,700,000 for payments to the Harbors Board. It has occurred to me that the time is probably ripe when serious consideration should be given to overall planning in this department. Last year certain honourable members, including myself, visited the Port Adelaide area and had explained to them the proposed Greater Port Adelaide Plan. It was certainly an eye-opener. On some of the reclaimed areas factories have already been built and many more will be built in the next few years. The trip was most impressive. I consider that the port facilities at the Outer Harbour in particular are insufficient. I appreciate

that we cannot spend, from our meagre supplies of Loan funds, a small fortune in order to attract big luxury ships to this State. However, in the next year or two the Government should seriously consider the future of the Outer Harbour. I do not think it is good for a State that is progressing to such importance as South Australia to lose the prestige of big vessels calling at our port. I look forward to the day when proper facilities can be provided for big ocean-going liners to call here. Before consideration is given along these lines, it is obvious to me that much thought in planning will be necessary. In the *Advertiser* of June 16 appeared the following small paragraph under the heading, "Cunard May Buy Planes." It was as follows:

Cunard may scrap plans for new "Queen" liner and buy planes instead—if estimates now being worked out by six ship builders are much above £30,000,000 sterling. This was the big hint following stormy meeting of shareholders of the Cunard Company at Liverpool.

Obviously, it is necessary to have a long-range look at the Outer Harbour facilities. It would be stupid to install very elaborate and costly harbour facilities if the era of the big ship were over or limited. I do not profess to be an expert in reading the future of the shipping industry, but I think that extremely big airliners costing £3,000,000 and capable of holding 250 people and with a much bigger turnover of passengers, could possibly be a better investment. I suggest that the Government should have a look at the Outer Harbour proposal and formulate some plan for its development. Would it not be possible to get big ships out of the wind-blown area at the Outer Harbour, which I gather is one of the serious causes of complaint, and provide for their berthing further in. On the Port River are many inlets and swamps. Despite consistent dredging, the silt is swept from these swamp areas back into the channel. If it were a problem associated with perhaps Leigh Creek and was for the good of the State, no doubt the biggest and heaviest plant in the world would be moved in to cope with the problem. I trust that those who know more about the matter than I do will find that such plant and harbour-making equipment is possible to provide facilities for berthing really big ships. I put that forward because, for many reasons, it is wrong for us not to have better facilities available at Outer Harbour for the berthing of large overseas liners. It means a loss of prestige to South Australia, as well as a loss of sales. I believe, too, that the Tourist Bureau takes passengers from overseas liners on visits to the Barossa

Valley, our hills districts, and to other areas, all of which helps to sell the State. The importance of this cannot be overestimated. I am not certain whether the same importance is attached to cargo ships, but it seems wrong that cargo brought from England to South Australia should have to come to Adelaide via Melbourne.

The Woods and Forests Department has done a great job in the South-East. One of the finest stories in Australia is at present associated with the maintenance of full employment in the timber industry, which is second to the motor body industry. Both industries have been hit by lack of orders, but the Government has succeeded in maintaining full employment in it. Married men have been taken from Government-owned mills and, although it may have meant a change in the type of work done, placed in other jobs. In view of the lack of orders over some months I think the department has done magnificently. It is part of the generally good job that our Government has so far been able to do in maintaining employment.

The Hon. K. E. J. Bardolph: Don't forget to tell members about the Industries Development Committee helping to establish the cellulose industry.

The Hon. G. O'H. GILES: I don't know where the honourable member is trying to lead me now. This year 5,000 acres of pine trees are to be planted in the South-East. What a magnificent record there has been for our Government over the last 20 years! It has kept the activities of the department snow-balling until today we have one of the finest examples of afforestation in Australia. New South Wales comes very close with its softwood forests, but it does not matter whether South Australia or New South Wales is the better, for the point is that in South Australia we have a great asset in these forests. Some of the difficulties associated with the use of *pinus radiata* are said to be the result of our forests being too young and the timber immature. When I was in England some years ago people expressed horror because we sliced into our wood forests at about 30 years of age. They said that with their spruce and fir they could not cut economically under 60 years of age. The insinuation was that our softwood timber was inferior to theirs. When I asked why that was so they said that in Norway the pine timber could not be cut under 100 years of age and that the Norwegian people always said that the British softwood was inferior to theirs. That is why the British people said our softwood was

immature. I do not believe that the charge of immaturity can be substantiated. Large areas of our forests are 40 years of age and more. With the modern way of using pine wood this proportion of older timber is a real asset. *Pinus radiata* is used in a number of ways. For instance, it is used for flooring, weather-board fascias, architraves, scotias and skirtings. It is also used for fruit boxes and cases. About 80,000 tons of fruit are cased in Australia, and at 14 boxes to the ton members can see that a large quantity of softwood is used in this industry. A large amount of *pinus radiata* is used as scantlings and general 3in. by 2in. timber. Unfortunately the specification laid down by the Housing Trust for its houses does not permit a margin for the use of scantlings. I believe that the trust houses are made of jarrah under-floor scantlings.

The Hon. K. E. J. Bardolph: You mean joists?

The Hon. G. O'H. GILES: If I am wrong, I thank the honourable member for the correction, but I say that in the trust houses the under-floor scantlings are of jarrah, and it is on top of them that the *pinus radiata* flooring is put. If *pinus radiata* were used as in some other States, it would be a great help to the softwood industries. I ask the Government to review the matter and consult manufacturers and other bodies about increasing the use of *pinus radiata* in this way. I understand that one reason why it cannot be used by the trust is the cellular formation of its houses. Contrary to the position in Housing Commission houses in Victoria, it is not possible to get under the floor of a trust house to put a small wedge between the joists and the flooring.

The Hon. K. E. J. Bardolph: Why put in a wedge?

The Hon. G. O'H. GILES: I am not trying to drive a wedge, but sometimes a board squeaks and it is advisable to slip in a small wedge, if that is possible, without taking up an entire section of flooring. If it has to be done in that way, the job is consequently more difficult. A method used in connection with *pinus radiata* is commonly known as

multisalt preservative. Sleepers used by the railways, some of which have been down for nearly 100 years and are still in reasonable order, are preserved by creosote. This newer method is a copper chrome arsenical preparation which is more effective for special uses. This is an example of what could be done to increase the use of *pinus radiata*, and I suggest that the Government should consider the use of this preparation for scantling treatment in the housing trade, with effective kiln drying. I realize it is not the Government's job to promote the interests of people who grow pine trees, although the Government itself does it but everything should be done to use as much as possible of our local timber for manufacturing purposes and for Housing Trust houses in this State. I do not mean today, because I know this is impossible, but I ask that full consideration be given to doing it tomorrow, speaking metaphorically of course.

Under the Miscellaneous section of the Loan Estimates there is an item for public parks and the purchase of land for which the estimated payment this year is £12,000. I suggest that this is perhaps lower than it should be, but it seems to be an honest endeavour by the Government to cope with the great need for parks and reserves in many country towns today. It is making proper provision for setting aside public recreation grounds. I am interested in an area of .40 acres in a country town, for which the Government has offered to pay half of the cost, the control to be vested in the district council. I give full credit to the Government for helping in such essential developments in country towns.

The Hon. S. C. Bevan: Has it any parking meters in it?

The Hon. G. O'H. GILES: I do not know where the honourable member wants parking meters and doubt whether he will have a chance to put his views in this Chamber, but that is another matter. I support the Bill.

The Hon. W. W. ROBINSON secured the adjournment of the debate.

#### ADJOURNMENT.

At 4 p.m. the Council adjourned until Tuesday, September 5, at 2.15 p.m.