

LEGISLATIVE COUNCIL.

Wednesday, October 10, 1962.

The PRESIDENT (Hon. L. H. Densley) took the Chair at 2.15 p.m. and read prayers.

QUESTIONS.

PEST CONTROL.

The Hon. C. R. STORY: Has the Chief Secretary, representing the Minister of Agriculture, a reply to my recent question about the introduction of legislation to deal with red scale and San Jose scale?

The Hon. Sir LYELL McEWIN: I am afraid that I have not it with me and have not seen it. I will take up the matter again with the Minister and get a reply.

FINANCIAL ASSISTANCE FOR FARMERS.

The Hon. K. E. J. BARDOLPH: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. K. E. J. BARDOLPH: I understand, and I think the understanding is well fortified, that most primary producers are suffering financial disability in the purchase of equipment and other necessary adjuncts for their production. I believe that the Commonwealth Development Bank grants loans over a period of 10 years, or thereabouts. Will the Chief Secretary, representing the Treasurer, take up with the Commonwealth Treasurer the question of giving extended terms to the man on the land (the same as apply for the purchase of a house, of up to 30 years) for the repayment of loans for buying equipment?

The Hon. Sir LYELL McEWIN: I am pleased to tell the honourable member that the Government is always sympathetic to the man on the land, and at present legislation is before the Council which I hope will get the unanimous support of members, including the honourable member. This legislation will enable more funds to be made available to country producers; but though the honourable member links loans to producers with housing, I am afraid it is a different proposition, and I do not think they can be measured on all fours. I assure the honourable member that at all times the Government is in contact with the Commonwealth Government with a view to getting the best possible facilities, not only for primary producers, but for those purchasing houses.

HIRE-PURCHASE AGREEMENTS ACT AMENDMENT BILL.

Second reading.

The Hon. A. J. SHARD (Leader of the Opposition): I move:

That this Bill be now read a second time.

Its purpose is to prevent hire-purchase traders and financiers in South Australia from evading the provisions of the Hire-Purchase Agreements Act. Some companies are evading the provisions of the Act by executing what are, in effect, bills of sale; that is, assurances or charges on the goods, but these bills of sale are not in the form stipulated by the Bills of Sale Act and, consequently, are not eligible for registration under this Act. The fact that they are not registrable does not at the moment render them void. It means only that in the absence of registration, the vendor has not the priorities as against purchasers of the goods in open market or against creditors in insolvency that he would have if the bill of sale were registered. The owner may, however, under the agreement, enter premises and repossess the goods and sell them to satisfy the balance of the purchase price and, again, none of the protections so carefully provided by this Council in the Hire-Purchase Agreements Act, 1960, apply.

Clause 3 provides, first, that any agreement which operates as a bill of sale within the meaning of the Bills of Sale Act, 1888-1940, but, because of its form, is not eligible for registration pursuant to the provisions of that Act, shall be wholly unenforceable by the grantee of the assurance. That will mean that, where companies seek to evade the provisions of the Hire-Purchase Agreements Act by getting from their hirers these types of bill of sale instead of hire-purchase agreements as provided for in the principal Act, they will be unable to enforce the provisions of these bills of sale.

The second provision in clause 3 is aimed at the activities of certain companies, particularly in relation to sales of motor vehicles where the contracts involved were made under the provisions of the law relating to hire-purchase agreements prior to the passing of the 1960 Act. The next paragraph of clause 3 is aimed at the difficulties of innocent purchasers who have been victims of what is known as the "floor-plan" system. In numbers of cases, both with secondhand cars and with television sets and other household goods, the purchaser has gone to a retailer who is in fact acting as agent for a finance company. The finance company has allowed the agent

to have its property on his premises for sale, for rental or for hire. The agent enters into a contract with a purchaser for the rental or hire of the goods, collects money from the purchaser, but does not pay it to the owner. He then either disappears or goes insolvent. Depending on the circumstances, the finance company denies all knowledge either of the transactions or of the payments, or points out to the purchaser that the selling agent has contravened the conditions of its "floor-plan" agreement and therefore he, the purchaser, has no legal right to the goods. The finance company is then within its legal rights in insisting upon a second payment for the same goods or upon repossessing them. In either case the innocent purchaser incurs considerable financial loss.

While some judgments of the courts have hinted that there is some protection to innocent purchasers in some of these circumstances, because the owner of the goods is estopped from denying the ostensible authority of the agent, the law is by no means clear, and a large number of innocent persons have suffered. I am aware that the Government has been concerned about this problem and has thought about some way of coping with it but, apparently, without success. Business is built on trust and a private person entering a selling organization of apparently good repute should not be expected to know of its financial ramifications with some finance organization. Also, he should not be expected to be aware of private arrangements between the agent and the finance company regarding any particular restrictions on conditions of hire or sale. When a purchaser makes all payments to a certain organization of apparently good repute, that should be the end of his responsibility in regard to the transaction, and the purchaser should receive a good title to the goods. It is the view of the Labor Party that the onus should be placed upon the finance company and not that the purchaser should be satisfied of the probity and substance of the agent into whose hands the finance company places its goods. The clause therefore provides that, where a finance company places goods in the hands of an agent in this way, payments to the agent under a contract made by a purchaser or hirer with him in respect of the goods shall be deemed to be payment to the owner.

The clause is restricted in operation to the placing of goods in the hands of traders by licensed money-lenders. All hire-purchase companies should have a money-lender's licence

and it is felt that this is as wide as the clause should go. If a money-lender places goods in the hands of someone whose usual trade it is to sell or hire goods of that kind, then, under the new section 46c, the selling or hiring or hire-purchase transactions of the trader will be deemed to be valid as against the money-lender. Payments to the agent will be taken to be payments to the money-lender in all cases of sale, and with rental or hire-purchase agreements the same conditions will apply until notice is given to the purchaser that future payments must be made to the money-lender. Money-lenders should be in a reasonable position to accept the onus of finding credit-worthy or reputable agents through whom to deal with the general public and should not be allowed to deny the transactions with the general public concerning their goods made by those traders in whose hands they place them. The new section does not lessen the liability of defaulting traders for tort or crime, nor does it derogate from the existing rights of innocent purchasers.

I know the Government is concerned about many aspects of the hire-purchase legislation, and I know that it sympathizes with me in this matter, particularly in relation to the "floor plan" operations that have been practised in the past. Some of these traders have gone insolvent and defaulted in every way possible, and as a result hardship has been inflicted on the community. People have taken television sets on hire-purchase and then paid as much as £90 and more in hire-purchase payments. I recall a case in which a company was suing for £167. These hire-purchase companies have sought another method of extracting money from people. In the case I have just referred to, the company concerned issued instructions that it would accept about half the amount—this despite the fact that the person had already paid the full price for the article. In the meantime, the people had consulted a solicitor. When the solicitor was told that the set had been working well, he pointed out that its value would have been at least £50 or £60 and suggested that the people offer about £30 in full settlement.

I inquired and discovered that it was the intention to make a test case out of the dispute. The Government had asked the Crown Solicitor to give an opinion, and that opinion was that no test case should be brought. It was known that the goods in question could not be traced. These companies cause all this hardship and anxiety, and this concerns all people in responsible positions. As the Opposition considers

that it is necessary to review this legislation, it has introduced this Bill for that purpose. We know that legitimate traders have been supplying a service to the public. They are honest business people, and they are still in the business, but they have had to compete with the type of trader I have mentioned. It has been hard to solve this problem. This Bill has been given most mature consideration; the Opposition believes it is essential, and on behalf of my Party I commend it to the favourable consideration of all members.

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

**METROPOLITAN AND EXPORT
ABATTOIRS ACT AMENDMENT BILL.**

Adjourned debate on second reading.

(Continued from October 9. Page 1299.)

The Hon. K. E. J. BARDOLPH (Central No. 1): This measure was described in another place as panic legislation, and members of the Australian Labor Party heartily agree with that description of it, more especially as, in 1944, a Select Committee of both Houses was appointed to go into the whole question of the management of the abattoirs and the method of regulating supplies of stock and so forth. I had the honour to be a member of that committee, together with the late Hon. E. W. Castine who, I may say, played a prominent part in the committee's deliberations. The Hon. John McInnes, Mr. Michael and Mr. (later Senator) Rex Pearson were the other members, under the chairmanship of Sir Wallace Sandford. The terms of reference were as follows:

To inquire and report what action (if any) should be taken—

1. To avoid in future the difficulties hitherto encountered in carrying out the objects of the Metropolitan and Export Abattoirs Act, 1936-37—
 - (a) by improving the control and management of the Metropolitan and Export Abattoirs,
 - (b) by any other means.
2. To ensure the expeditious and economical slaughtering of stock at the Metropolitan and Export Abattoirs and at Port Lincoln.
3. To improve the present method of allotting quotas for slaughter and for regulating the supply of stock to the Metropolitan and Export Abattoirs and to the works at Port Lincoln.

It will be seen that that committee was called upon to consider the same problems which this Bill is supposed to solve. From 1913 to 1933 the abattoirs was a municipal activity, and I know that the Hon. Sir

Arthur Rymill, as a member of the Adelaide City Council, will be well acquainted with its early history. In 1933 the Act was amended bringing about a fusion of activities of the Government Produce Department which at that time was carrying on the killing and exporting of lambs at Port Adelaide. For 11 years up to 1933 the Port Adelaide section of the Produce Department had a yearly loss of £15,000 in its export lamb business. In 1937 the Port Adelaide depot was closed and its activities were removed to Gepps Cross. The depot was sold to the Metropolitan Abattoirs Board for £50,000, repayable by debentures with a currency of 42 years. As a result of the efficiency of management of the Abattoirs Board that liability was liquidated in 40 years. That is a brief history of what has led up to the present conditions applying at the Metropolitan Abattoirs. The committee made exhaustive inquiries. It went to Victoria and inspected killing works, including the City Abattoirs run by the Melbourne City Council, as well as killing works in country areas. I will not read any of the evidence submitted, but I suggest that members, before voting on this Bill, read it because it is analogous to existing circumstances at the abattoirs. The figures given in those days are comparable with present-day killing figures, although they are smaller for that period. The report said:

As a further indication of the trend of the industry and the strain imposed on the works in that decade, the total slaughtering of all animals at the Gepps Cross Abattoirs increased from 716,695 in 1934 to 2,259,328 in 1944. That trend has not receded and there is now a glut of livestock, because the committee's proposals were not carried out. If they had been, there would not be the present talk of labour disruption. The report continued:

That the Government was keeping itself informed of the development taking place is evinced by the appointment of two committees to investigate the subject of country freezing works, the first of which presented its report in May, 1939 and the second in July, 1944. In addition, the Metropolitan and Export Abattoirs Act, 1936-37, contains a provision under which "at least once in every three years the Minister shall appoint a competent person or persons to investigate . . . the efficiency of the plant, machinery, administration and operations of the board". The Auditor-General has been appointed on each occasion and reports were made by him in 1936, 1939 and 1941, and a fourth report is in the course of preparation.

I understand that the Minister of Agriculture has obtained a recent report regarding the Metropolitan Abattoirs, but although he has been asked to table it he has not done so. I do

not know why that is so. I will not go into the contents of the 1944 report, which deals with many matters, but one conclusion was:

The Gepps Cross abattoirs compares more than favourably with others in the Commonwealth and is up-to-date and efficient. Although the layout has been criticized it should be remembered that it has greatly exceeded in scope and output the abattoirs for municipal meat supply only, for which it was originally designed when all the export trade was dealt with at Port Adelaide.

The Bill indicates that the Government will grant a licence for a large meat firm to establish abattoirs in the metropolitan area.

The Hon. C. R. Story: It could be in the country.

The Hon. K. E. J. BARDOLPH: I am coming to that point. As a result of being a member of that 1944 committee I think I know something of the benefits to be gained by workers on the land in primary production by the establishment of country abattoirs. The committee said that in order to create harmonious relationships between the board and the workers there should be a representative of the Meat Industry Employees' Union on the board. That was a majority report, signed by Messrs. McInnes and Pearson and me. Prior to this recommendation there had been many industrial disputes at the abattoirs, but now, because of an employees' representative being on the board, the number of minor issues at the abattoirs has been reduced. This has resulted in the Metropolitan Abattoirs holding the position that it does today, but if it were permitted to go into the wholesale trade the position would be different. Under the Act it is a service abattoirs and cannot buy stock and sell processed meat. Under the Bill, which appears to be a guise for the purpose of allowing vested interests to come into the metropolitan area and compete with an institution where a large amount of taxpayers' money is involved, the present abattoirs would not be able to buy stock and sell processed meat. The Hon. Mr. Story said there was a possibility of country killing works being established under the Bill.

The Hon. C. R. Story: Not a possibility. The power is there already.

The Hon. K. E. J. BARDOLPH: I do not deny that. In the Southern District there was an application, and I will not give the details, from an overseas meat processor, and the recommendation was that finance be made available for the establishment of country killing works. However, it was not

established because it was considered unlikely that it would be a profitable undertaking, unless a quota from the Naracoorte abattoirs was permitted to be sold in the metropolitan area. Furthermore, I think the main thing that prevented this overseas representative from accepting the proposal was the refusal of a larger quota of the metropolitan trade; so he became frightened of the vested interests in the meat industry. I think other honourable members know that.

The Hon. G. O'H. Giles: That is your interpretation of it.

The Hon. K. E. J. BARDOLPH: The honourable member also should know.

The Hon. G. O'H. Giles: I am not on the same committee as the honourable member, but I should not think that your interpretation is correct.

The Hon. K. E. J. BARDOLPH: Perhaps it is a matter of degree in viewing it. I probably view it as I do as a result of more experience than the honourable member. It does not say that I am wrong; probably it confirms that I am not. I say unequivocally that in my opinion and that of my Party this Bill represents another means whereby the controllers of the meat industry in Australia will attempt to set up an industry in the vicinity of Gepps Cross, and will have all the facilities and the benediction of the Government to compete with a public utility. Had the Government given a larger quota for country killing works, there would have been no need for this legislation. All the evidence in that inquiry was adduced from the growers and proved conclusively that many country districts desired to have killing works established. A report was published in 1944 by the Joint Select Committee on the Metropolitan and Export Abattoirs Board, and members who signed it included the Hons. E. W. Castine and John McInnes and myself. The Government should have accepted the addendum to the report rather than attempt, by this legislation, to court the favour of country interests. The Government has not done much to help country industries and establish works in the country. Had it done so the position would have been met. It should have taken the initiative, but despite the recommendation of that committee it did not provide for an extension of the quota of meat to be sold in the metropolitan area.

The Hon. C. R. Story: Do you believe that the Government should have set up these abattoirs?

The Hon. K. E. J. BARDOLPH: It is not a question of my believing it, but of facts. This Government claims that it represents the man on the land, but I say that it should provide the money and set up abattoirs as a public utility in the interests of the man on the land.

The Hon. Sir Arthur Rymill: I thought you were suggesting that the unions would set up an abattoirs.

The Hon. K. E. J. BARDOLPH: I said the Government, which is a very different thing. The man on the land farms the land and vested interests farm the man on the land. I want this on record: it is the addendum to the report submitted by the committee, and is as follows:

(1) The inability of stockowners to secure the expeditious treatment of stock at the abattoirs during recent seasons has resulted in great loss to producers with attendant dislocation and chaos in the industry.

Will the Hon. Mr. Story tell us what his Government has done in connection with that section of the report? If he claims to have the interests of the workers and the man on the land at heart, he must know that this is one of the things that affects the fat lamb producers, and the exporters. My honourable friend, Mr. Robinson, came before the committee to give evidence before entering Parliament. I think that his intention then was on all fours with the policy I am advocating this afternoon. By his interjections, I know that the Hon. Mr. Giles is like Alice in Wonderland. This report is the outcome of the evidence received by that committee. I said earlier that there had been a big increase in the number of stock killed at the Metropolitan Abattoirs. That quantity has not receded, but increased more than tenfold. The committee's report also included the following:

The wisdom of having all killing and treatment works in one locality is open to serious question from several viewpoints, and the matter of decentralization demands early attention. During the course of the committee's inquiry, many witnesses pointed out the advantages of having treatment works established within reasonable distance of production. The provision of treatment works in the country will divert large numbers of stock from Gepps Cross, thus considerably reducing the gluts that occur each season, and perhaps entirely prevent them . . . Wherever abattoirs are established in the country, they should be an adjunct to, and under the direction of, the Metropolitan and Export Abattoirs Board.

The Hon. W. W. Robinson: They would not take it on.

The Hon. K. E. J. BARDOLPH: The reason for our putting that section in the report was

that this report was compiled from evidence given by primary producers, including some from the other States, those controlling killing works in other States, and all those directly concerned in the industry. It was not something conjured up by a certain section of politicians for political purposes, but for protecting and furthering the industry. It was mentioned that the board should be the controller of the abattoirs and you, Mr. President, know, from some of the inquiries by the Industries Development Special Committee, that unless you have some managerial controllers who are conversant with running killing works and the necessary adjuncts to such works then, like some of the other works investigated by the committee, one particularly at Geelong (which lasted only a short time), the industry could fail. That is why we submitted that it should be under the watch of the board. The committee amplified the position by saying:

This would permit not only an exchange of experienced officials and workmen, but charges for treatment of stock could be so regulated as to encourage producers to avail themselves of the nearest works, thus reducing gluts at Gepps Cross to a minimum.

It must not be forgotten that the Metropolitan and Export Abattoirs were established at large expenditure of public money, and they are admirably serving the purpose for which they were established. The capital cost has been added to from time to time as a result of Government action to meet the pressing demand for extra facilities to meet export requirements. This public utility should not now be subjected to competition from the establishment of private treatment works.

As the legislative action necessary for authority to undertake the establishment of additional works would absorb considerable time, we urge that this matter receive early consideration. We accordingly recommend:

1. That the Government take immediate action to establish killing and treatment works in the country.
2. That such works be an adjunct of and under the direction of the Metropolitan and Export Abattoirs Board.
3. That charges for treatment of stock be so regulated as to encourage the use of such works.
4. That because of its economic advantages, the works be established at Wallaroo.

The Hon. S. C. Bevan: What year was that?

The Hon. K. E. J. BARDOLPH: 1944. I know that my friend (Hon. G. O'H. Giles) does not wish to go back into the history of this question. He wishes to jump to the moon tomorrow, but experience is necessary, and we have to go through various processes to establish this industry. If the honourable member takes his political life as lightly as he attempts to throw interjections it will be a very short life, because he is

supposed to represent primary producers in this Council. This report is not a political report: it is a non-Party report affecting the primary producers more today than it did in those days, and the honourable member cannot deny that.

The Hon. G. O'H. Giles: Conditions change. That was 1944.

The Hon. K. E. J. BARDOLPH: Conditions have changed to the extent that the position has become more acute: it has not eased.

The Hon. G. O'H. Giles: The population is now twice as great.

The Hon. K. E. J. BARDOLPH: I do not wish to argue with the honourable member. I agree that the primary producers were justified in their demands regarding their stock when those conditions obtained in 1944, but the position is more acute today and nothing has been done by the present Government to establish another killing works. The Hon. Mr. Story asked whether I desired that the Government should go to the expense of establishing killing works. Such a killing works would not cost as much as the Gepps Cross abattoirs, but it would cost about £1,000,000. However, that is the capital outlay and we have to examine the potential arising from that expenditure. We had a case where the Industries Development Committee gave a guarantee for the establishment of a meat-works at Naracoorte and the two barriers I mentioned were the extension of the right to supply the metropolitan area from a country killing works, which represented complete decentralization, and the fear that the vested interests of the meat industry throughout Australia would attempt to stop the processes of the work.

We prepared a unanimous report on that question and those are the facts. The Government has a responsibility if it has at heart the interests of the workers on the land. By that I do not mean the people who batten on the workers on the land: I mean the primary producers. Those are the facts and I wind up by saying that we view this legislation as being designed not for the purpose which the Minister originally stated, that is, to deal with an industrial dispute, because that dispute is a thing of the past. Unanimity exists at the Gepps Cross works today. The workers have submitted their claims to arbitration. The Minister said that this was to deal with the glut of lambs and stock at the Gepps Cross works, and that it was essential that this legislation be passed. In other words, it was

essential to give the green light to outside organizations to set up a killing works in the metropolitan area in competition with a public utility in which taxpayers' and primary producers' money was invested. With those comments I leave the issue with members of this Council. I will support the amendments to be moved by the Hon. Mr. Shard, because the Opposition disagrees with the panic legislation brought in by this Government in connection with a public utility that has served this State and the community so well over the years.

The Hon. G. J. GILFILLAN (Northern): I support this Bill to amend the Metropolitan and Export Abattoirs Act with the conviction that it is not only necessary but is in fact long overdue. Several reasons have been given since this Bill was introduced, and opinions have been expressed in the press and elsewhere, as to why the Bill was necessary. Many of those reasons are suppositious, but it is obvious that, with a growing population and increasing stock numbers throughout the State, we are rapidly approaching the time when we shall need to handle more stock for home consumption and export. Over the years many of our growers' organizations (I can state this confidently, having attended many meetings of various primary producers' organizations) have made demands for some form of competitive abattoirs to be set up against the existing monopoly in the form of the Metropolitan Abattoirs.

This question of a monopoly has been mentioned during this debate and the abattoirs has been likened to other public utilities, such as the Electricity Trust and the Engineering and Water Supply Department. Actually, however, there is no real comparison between the Metropolitan Abattoirs and those public utilities. The abattoirs is processing a product produced over the whole State by private enterprise; it processes those products for human consumption, and the products are retailed by private enterprise. That is a very different thing from a strictly public utility which produces something and makes it available to the public. The danger with this monopoly is that it can, in certain circumstances, create a bottleneck affecting production throughout the State. This condition is most undesirable and I am happy that the Government has at last recognized that something should be done to overcome this disability.

The reasons advanced by the members for the introduction of this Bill, such as industrial trouble, are not the main questions causing concern to primary producers. Producers of stock are concerned with growing that stock and marketing it. In dry seasons, such as we are now experiencing, the position is aggravated from the primary producer's point of view, but he does not regard industrial conditions as his personal concern. It is wrong that we should have a position where one section of the community can attempt to make personal gain out of the misfortunes of a much larger section of the community.

Conditions in South Australia are somewhat different from those in other States, with which comparisons have been drawn. We experience a different climate from most of the more favoured States. In a large portion of South Australia the programme of breeding sheep follows the same pattern and surpluses are likely to occur in the same months each year. In the other States with their better rainfall distribution, they are able to market their stock over a longer period. It has been suggested that the producer is at fault for these gluts each year and that he should market his stock earlier, or should anticipate a dry season and reduce his flocks accordingly. Statements such as that emanate from people who do not know much about producing stock for market. The whole occupation of breeding sheep and cattle is a long-term one. Normally, throughout most of this State, with the exception perhaps of a small portion of it in the wetter districts, the programme is started almost 12 months before the stock are marketed. Sheep are usually mated in the spring to lamb in the autumn and then those lambs have to be weaned, which is usually when the sheep are shorn. Then the surplus is disposed of through the usual channels. It is consequently difficult to change this programme, as once the sheep have been mated they are not suitable for sale, and so they cannot readily be put on the market until the lambs are weaned. It would be a very clever weather forecaster who could predict in November of one year what the weather was likely to be in the spring of the following year. It is a good thing for the fortunes of this State that primary producers are prepared to assume that the following year will be an average one, because, if they budgeted for a dry year each time, the stock numbers of the State would be much reduced below normal, and we would find that the economy generally would suffer.

We have also heard statements that the works should be taken to the source of supply and that this Bill should be amended so that any abattoirs to be established will be forced to go into the country. The fact is, however, that this Bill still enables works to be established in the country as it permits them to be established where it is considered they will be most profitable. I come from a country district where we have been very interested in trying to get some enterprise which will help the local population, and one of the things we have gone into is the processing of meat. Although we had a meeting of interested people in the district who were prepared to do something positive, both by way of finance and sponsoring such a project, we found that there were a number of difficulties to be overcome, and that the establishment of country killing works, although desirable, is something very difficult to bring about. I would be happy to see country works established, but we must be practical about this thing. To have works which would in any way relieve problems of the magnitude of those that occur in seasons such as this, there would need to be works in many country districts.

I think most members who have a knowledge of the State, if asked to name a town where works could be established profitably, would be hard put to it. The fact is that our country areas consist of a number of small towns, with a few larger towns where abattoirs are already established to service those particular localities. Locally produced stock is offered through these markets, but on occasions in a crisis such as we are experiencing this year none of these establishments would be able to handle the numbers of stock which would come to hand. Our present method of disposing of stock is by public auction—and we have not yet found a better one. This makes it necessary that when large numbers of stock come to the market we must have a larger coverage of buyers, and any small country works which received a very large number of stock from the surrounding districts, and perhaps further afield, would find itself in the position where the numbers offered exceeded the demand. We find that in our country abattoirs there can be an extreme fluctuation of prices depending on the number of stock offered.

Although I believe that all members on this side will agree that country killing works are most desirable, in the interests of the industry as a whole we must give private enterprise a chance to establish works where they will be of the most benefit, not only to the producers,

but to the consumers. We experience delays from time to time in the slaughtering of stock—and I am not suggesting that they are always due to actions of the employees or the administration. They do, however, cause big losses to the industry. Stock wastes when awaiting slaughter. It is a well-known fact that the quality of meat improves with stock in rising condition. When stock start to lose condition the meat depreciates in weight and becomes much tougher. If we are to produce meat economically, and find and hold markets, we must present it in the best possible condition to buyers. It is well-known that sheep awaiting slaughter, no matter how well they are fed, lose condition. Normally, stock brought to the abattoirs for slaughter have been on the best feed available on owners' properties. They are moved by rail or motor transport to the abattoirs, which must have some effect upon the animals, and then turned out and pen-fed. Under those conditions, the stock to some extent lose condition. Generally it takes about two weeks for their digestive organs to become adjusted to a different type of food, so that any delay in killing is a cause of loss, not only to the primary producer, but to the consumer, and a big loss to the State generally.

The Hon. S. C. Bevan: If there were another abattoirs in the metropolitan area would you not still have delays?

The Hon. G. J. GILFILLAN: There will always be some delays but the more we can reduce them the better it will be for everyone concerned. It has been mentioned that another metropolitan abattoirs would increase killing costs, but that is not in accordance with what applies in other industries. Generally, competition reduces costs. When we have a monopoly there is no true measuring stick in relation to costs. We have had figures comparing costs of our abattoirs with those in other States, and they have not always been favourable, but such comparisons are not valid because of the differing conditions. I would be considerably surprised if costs were not reduced. It has been said also that the working of overtime increase costs, but that is another statement which cannot be proved without having full access to information on the matter. Generally, it is more economical to pay overtime during the short peak period than to increase the size of the abattoirs to cope with that peak period without the payment of overtime. I would be surprised if competition amongst abattoirs in the metropolitan area increased costs. I think

there is every reason to believe that costs would be reduced. The Hon. Mr. Bardolph based his argument on the report of a committee that made its investigations prior to 1944. That was in wartime when Australia was operating under many controls, and when conditions were entirely different from what they are today. Generally speaking, I do not think that the 1944 conditions exist today.

The Hon. K. E. J. Bardolph: I said that the conditions had become accentuated and that there was a need for country abattoirs.

The Hon. G. J. GILFILLAN: Some conditions have become accentuated, such as numbers of stock and consumers, but the report was presented in 1944 when labour conditions and availability of materials were different from what they are today.

The Hon. K. E. J. Bardolph: The report foreshadowed a developmental plan.

The Hon. G. J. GILFILLAN: Yes, but its report dealt with conditions up to 1944, and, as I said, they are different from those appertaining today. I support the Bill and in Committee will oppose the foreshadowed amendment.

The Hon. A. F. KNEEBONE (Central No. 1): I oppose the Bill in its present form, with a view to trying to clear up doubts in the minds of some members. Also, some extravagant statements have been made in this place, in another place and in the press, and I think I can give the answers to those statements. Extravagant remarks were made about costs being reduced if another metropolitan abattoirs were established. The Hon. Mr. Story put it that way, and the Hon. Mr. Gilfillan repeated it today. They said that where there is a monopoly costs are high, and that competition between private enterprise and a semi-governmental institution results in cost reductions, but the contrary has been proved. What about Trans-Australia Airlines?

The Hon. C. R. Story: T.A.A. has an open competitor in Australian National Airlines.

The Hon. A. F. KNEEBONE: T.A.A. fares were increased to bring them into line with A.N.A. fares, so that A.N.A. would not lose money. The same thing happened in connection with the Commonwealth Bank. There is a restriction on its operations so that it will not interfere with other banks. That sort of thing could happen with abattoirs. In another place it was said that the Bill was introduced because of the dispute at the Metropolitan Abattoirs. Now that the trouble has ended we are told that the Bill was

introduced for another purpose. We all know that the purpose is to allow private enterprise to compete in the metropolitan area against the Metropolitan Abattoirs. We have been told also that because of that, the Bill should go through this afternoon, but I cannot see that it is so important for the metropolitan area to have another abattoirs. In any case, one could not be established in time to handle lambs and sheep to be killed this year. My experience has been that when there have been dry conditions and workers on the land have wanted to get their lambs and sheep killed there has been a panic. I believe that conditions could improve next year, and that there will not be the same large number of stock coming to the abattoirs to be killed, because the workers on the land will be building up their flocks. Nothing can be done to establish one this year and it seems that another will not be needed next year. The Bill should be withdrawn because the need for it has gone, and possibly will not come again.

The Hon. Mr. Gilfillan said that because the numbers in flocks are increasing another abattoirs is necessary. He said also that it would be better to pay overtime for a short period than incur the cost of extending the facilities of the present abattoirs, but that is a contradiction of his first statement. The Hon. Mr. Giles wanted to know why workmen at the abattoirs had not first approached their industrial board. That shows just how far removed he is from industrial relationships. I have been associated with industrial boards for years and my experience has been that employers and employees get together and agree or disagree on matters raised. Where there is agreement the matters are taken to the industrial board concerned, and approved in a formal way. If there has not been a meeting between the employers and the employees the chairman of the industrial board concerned often directs them to discuss the matter and then come back to the board. That is what the abattoirs men did. They went to the board to seek an agreement on a matter. Someone has said that there is a regulation saying that when there is a dispute the men should go to the industrial board first. There was no dispute in this case at that point. The matter was raised for discussion between the Abattoirs Board and the men. I am told that some members of the board were in sympathy with their request, and even some of the speakers on the Government side in another place agreed with the reasonable request that

the men should receive another week's sick leave. Figures advanced proved that workers at the abattoirs had contracted various diseases for which compensation could be claimed; but these diseases leave them in such a weak condition that they are likely to pick up some other virus. They lose time while getting fit to continue with their work, but they may be attacked by another virus on which compensation is not payable.

The Hon. C. R. Story: It is marvellous how many farmers live through it!

The Hon. A. F. KNEEBONE: Many of them die, probably from hard work, as my honourable friend might say. Another point in relation to the approach to the industrial board is that many of us who have had much to do with arbitration and conciliation have found in recent years that we have won everything but the decision. We have won the arguments and proved our point, but have been told that because something may happen in the foreseeable future we shall not be granted the extra conditions (which the court agrees we are entitled to) because of some economic feature, about which we know nothing. The court in its wisdom said that we shall have to wait. That is why some workers, but not all of them, have become impatient with the results of conciliation and arbitration and have resorted to direct action. In the case under review, the men did not take extreme action (which they could have taken) which unfortunately some workers have taken in the past. They could have stopped work altogether, but they did not do that, but put a ban on overtime. I suggest that this Bill was intended as strike-breaking legislation and was an attempt to introduce private abattoirs into the metropolitan area. That is the sole reason for its introduction, because other matters making it an urgent Bill have passed. The Government could well withdraw the legislation.

The Hon. M. B. DAWKINS (Midland): I give my wholehearted support to the Bill and compliment the Government on its introduction. I agree with the Hons. Mr. Story and Mr. Gilfillan that the legislation is overdue. Far from its being panic legislation, as stated by the Hon. Mr. Bardolph, I am positive that it is very good legislation. I am well aware that it is necessary to market lambs at the right time and to have them slaughtered without delay. It is intolerable to see lambs wasting in stock paddocks at this time of the year. The Hon. Mr. Gilfillan referred to the wastage

that occurs and said that very good meat very quickly becomes poor meat.

The Hon. K. E. J. Bardolph: What about killing at the source of supply at country abattoirs?

The Hon. M. B. DAWKINS: I was under the impression that the honourable member wanted everything killed in city abattoirs unless £1,000,000 could be borrowed to establish country abattoirs, and so far we have not found anyone with £1,000,000 to spend for this purpose. The Hon. Mr. Story said that lambs must be brought to bloom and marketed when ready. I could not agree more. He was brought up in the fruitgrowing areas and I believe he has a great appreciation of the needs of the prime lamb industry. Just as he markets his oranges when they are ripe and not when they are green, as one honourable member tried to imply yesterday, so it is imperative for lamb producers to get their lambs away when they are ready. Later, I will answer one or two points made by Opposition members, but I wish to approach this subject from a different angle for the moment. I approach this subject from a slightly different angle than they do. Earlier this year I had occasion to say that in Australia today 85 per cent of the lambs produced are consumed locally and 15 per cent are exported. Members will know that most of the 15 per cent are exported at this time of the year during the glut. That makes it even more imperative that these lambs should be slaughtered at the right time. At present we have overseas as a representative of lamb producers of Australia Mr. Denis Muirhead, who has investigated the meat markets in the United Kingdom and is trying to get 2,000,000 first-grade Australian lamb carcasses into that country at a time when there is a comparative dearth of fresh New Zealand lamb. That period lasts for about two months there and I am sure it is necessary to have adequate facilities for killing these lambs when they are in first-class condition, as Mr. Gilfillan said, and not after they have been wasting for some time.

The Hon. K. E. J. Bardolph: We agree, but they don't all have to be slaughtered at the same place.

The Hon. M. B. DAWKINS: This Bill does not provide for that.

The Hon. K. E. J. Bardolph: The object of the Bill is to have all killing done at the one spot.

The Hon. M. B. DAWKINS: That is not so. That is only the honourable member's interpretation. The Government has done everything it could to encourage the establishment of country works and I know that is so. I knew something about it before, and I have recently been into the matter on behalf of the State Lamb Committee. That is a voluntary body interested in increasing our lamb exports and seeing that they are exported at the correct time for the benefit of the industry. The Minister of Agriculture gave me a full statement of what the Government was prepared to do and had tried to do. I know the Government has provided every means of facilitating the establishment of a country abattoirs, but so far it has had no takers. The Leader of the Opposition has foreshadowed an amendment, but I cannot see why he wishes to move an amendment. If he is not in favour of the Bill and wishes to oppose it, why doesn't he just vote against it, because, after all, the Government has a provision enabling it to establish a country abattoirs at present. If the Leader of the Opposition does not favour the establishment of an abattoirs anywhere in the city, all he has to do is to vote against the Bill.

The Hon. A. J. Shard: Haven't you heard of a double-barrelled gun?

The Hon. M. B. DAWKINS: Yes, I have, and I can see that the honourable member would rather move an amendment than be reported in the press as being opposed to this measure. The Hon. Mr. Bardolph made a long speech and read at length from a report referring to conditions of 18 to 25 years ago. The Hon. Mr. Gilfillan said, and I agree with him, that Mr. Bardolph talked about 1939 and 1945. The situation 25 years ago was vastly different from that applying today. In 1935 fewer than 750,000 lambs were slaughtered at the abattoirs, but in 1960 over 1,600,000 were slaughtered, representing an increase of 850,000. The number slaughtered in 1960 was more than double the number slaughtered in 1935. In 1935 fewer than 900,000 sheep were slaughtered, but in 1960 the number was 2,225,000, the difference in that case being 1,341,000. The present situation is vastly different, and we need more facilities than were needed in the days that Mr. Bardolph spoke of. He was talking of and living in the past.

I am positive that this Bill will obviate the bottlenecks of the past and enable lambs to be exported in the top-class condition in which they should be exported. Mr. Bardolph also made much of the fact that if the Government

had given a greater metropolitan quota to country abattoirs probably country abattoirs would have been established. Country abattoirs could, under existing legislation, be established within 50 miles of Adelaide. At the same time that the honourable member said that a greater quota should have been offered to these people, he also expressed great concern about the competition that this possible new works that might be established nearer the city would offer to our existing Metropolitan and Export Abattoirs. Of course, if a greater quota had been granted it would have provided the very competition he is now professing to be so worried about.

The Hon. Mr. Kneebone said that competition would cause an increase in costs, following on what the Leader of the Opposition said. Mr. Kneebone referred to Trans-Australia Airlines and the Commonwealth Bank. I am not quite sure how the honourable member managed to bring the Government airline and the Government bank into this discussion, because both of those institutions are backed by unlimited Government money and compete under proper arrangements with private enterprise. Surely our air services are excellent air services, and they are excellent because they are in competition. Similarly, in my opinion, the banking set-up provided offers a choice. We have competition and we have an excellent banking set-up that is partly Government and partly private enterprise. I know that the honourable member would desire a socialistic monopoly for both airways and banking and under those conditions, as with the Commonwealth Railways, we would probably have to wait 12 months for a berth on an aircraft. Also, we might have to wait many years for accommodation from banks. The Hon. Mr. Shard admitted that even with the fourth chain working at the abattoirs the works could not cope with the glut period. He said:

We agree that the present abattoirs cannot, even with a fourth chain working, cope with all the lambs required to be slaughtered in the export season.

The honourable member implied that the fourth chain should be working.

The Hon. A. J. Shard: I did not imply: I said it should be working.

The Hon. M. B. DAWKINS: And no doubt if it should be working it should be in good working order. Although the honourable member admitted that the present abattoirs cannot cope with the situation, he still poses difficulties in the way of establishing a second abattoirs.

The Hon. A. J. Shard: No, that is not a fair interpretation.

The Hon. M. B. DAWKINS: In limiting the locality of that abattoirs the honourable member is putting a limitation on the possible establishment of a second abattoirs.

The Hon. A. J. Shard: I would not agree with that.

The Hon. M. B. DAWKINS: The honourable member gave us to understand that the chain is in working order and should be working, but the Hon. Mr. Bevan said that the fourth chain could not be operated, because the machinery was rusted. I believe they are almost exactly the words he used. He said, "They could not operate it now because the machinery has rusted." I checked this statement, because I thought it was incorrect, and the Chairman of the board told me that the chain is in good working order and that the board has not been able to get the men needed to work the chain, because the union has not been able to supply competent men. In view of the necessity to get our export lambs away in first-class shape (which is something I cannot too strongly emphasize as we must preserve our exports and expand them) and because the Government has given every encouragement for the establishment of country works but has been unsuccessful in securing anyone prepared to go on with that project, and also because I believe in healthy competition and efficient and prompt operation in slaughtering and favour a situation that I feel sure will not increase but will reduce costs, I shall strongly oppose the proposed amendments. I offer my full support to the Bill.

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

Later, on the resumption of the debate:

The Hon. S. C. BEVAN moved:

That the debate be further adjourned.

The Council divided on the motion:

Ayes (4)—The Hons. K. E. J. Bardolph, S. C. Bevan (teller), A. F. Kneebone, and A. J. Shard.

Noes (9)—The Hons. M. B. Dawkins, G. O'H. Giles, G. J. Gilfillan, Sir Lyell McEwin (teller), F. J. Potter, W. W. Robinson, Sir Arthur Rymill, C. R. Story, and R. R. Wilson.

Majority of five for the Noes.

Motion thus negatived.

The Hon. G. O'H. GILES (Southern): I commend the Government for introducing this Bill, the aim of which has been dealt with on

more than one occasion by members of the Council. However, I shall briefly give my ideas on why the Bill has been introduced. I suggest that the Government has introduced this Bill to provide additional and alternative facilities to those at Gepps Cross for the slaughtering of livestock. The second point is that the Government thereby hopes to avoid, as much as possible, hold-ups and delays in the slaughtering of livestock and the treatment of stock for export. Thirdly, I would suggest that the Government's aim is to provide competition and break a monopoly provided by the Act that controls the Gepps Cross abattoirs.

I think that these conditions all apply fairly equally and are all-important when we examine the facilities for slaughtering livestock and supplying meat to the metropolitan area. Various members, including the Hon. Mr. Kneebone (I may be wrong, it may have been a previous speaker), have mentioned various aspects of this matter, but the first I wish to deal with is the capital structure of the Abattoirs Board. I have heard it mentioned, for instance, that £2,000,000 of the taxpayers' money is involved in this capital structure. Might I quote from the second reading speech of the Chief Secretary (and I see no reason to doubt the authenticity of this particular statement) when he said:

Debenture funds (almost entirely Treasury advances) £842,823.

That is the extent of the public investment in the abattoirs as I see it. There are other grants, particularly of a Commonwealth nature in connection with yards, of about £44,000.

The Hon. S. C. Bevan: Where does that come from?

The Hon. G. O'H. GILES: I am including that and I am agreeing with you. That is also Government funds, but by far the major amount is made up of internal provisions and reserves re-invested, which total about £950,000. What I am saying is that, through a levy on stock processed at the Metropolitan Abattoirs, certain reserves have been set aside and have been used and re-invested in the Metropolitan Abattoirs, and that the biggest proportion of the amount springing from this source is not in the nature of Government finance, but demonstrates that primary producers, farmers and people who rear stock and sell them also have a stake in the Metropolitan Abattoirs.

The Hon. S. C. Bevan: Those reserves also include profits of the abattoirs.

The Hon. G. O'H. GILES: That may well be so. I am not arguing that for one minute, but am pointing out that the Government

investment in the abattoirs is, after all, not a very big amount at all, and I draw a comparison (by the use of those figures) that the farming community has a very big investment and interest in the capitalization of the Metropolitan Abattoirs. It has been suggested that some of this money might be wasted. I do not believe that to be so, nor of course has it been envisaged for one minute by responsible people such as the Minister of Agriculture, the Premier, the Chief Secretary or other Cabinet Ministers. Obviously, under this Bill there is provision for stock to be slaughtered elsewhere and access will be given to the metropolitan market.

The Hon. A. J. Shard: Up to 10 per cent. The principal Act provides that no more than 10 per cent can come in.

The Hon. G. O'H. GILES: That is not quite so, but the point I wish to draw from that is that the primary producers have for years, and quite openly, demanded that this state of affairs, where one authority has the complete handling of their commodity, be eased. I was chided by Mr. Kneebone with being out of touch with industrial matters as affecting the abattoirs. Of course, it is not something on which I pose as an expert, but by the same token it is quite fair to point out that perhaps Mr. Kneebone does not know that farmers for many years have been asking for exactly this sort of action that the Government has taken in this Bill. It is no earthly use members of the Opposition talking to the effect that this is some heinous action taken for an ulterior purpose. The time, admittedly, may be handy, but there is nothing shady, dishonest, shocking or offensive about the introduction of this Bill; it represents exactly what primary producers have been wanting for a long while. Members should remember this and not try to find hidden skeletons in the cupboard for a state of affairs that has been with us for some time. I would take the view, quite contrary to that of members of the Opposition, that the object of this Bill is essentially to provide some form of competition in the metropolitan area, and it is not in any way connected with any lack of competition from any other area.

The Hon. A. J. Shard: That is the very thing we have been saying.

The Hon. G. O'H. GILES: It is not; it is almost exactly the opposite. All we have heard here this afternoon has been from the union point of view. I am on record as saying some little time ago that I believe that the unions have an honourable function in the community, but I do not believe that the proper

function of a union is to go on strike at exactly the one time of the year that affects a section of the people in a very dire fashion indeed. I think Mr. Kneebone insinuated that the union did not take direct action, but what sort of action did it take? It took direct action at the one time of the year which could unduly penalize one section of the community. Both Mr. Gilfillan and Mr. Dawkins elaborated at some length the long-term nature of the production of fat lambs, and the point they both made was that there is only one optimum time when fat lambs can be slaughtered. Now let us get back to the point. I think that the unions have a right to exist and to look after their members, and I do not for one moment deny the fact that sometimes they may have to take action, but I do say seriously that it is unfortunate when they do so at a time that hits one section of the community which already is feeling the pinch financially due to a season that has not been exactly good for a great many of them. I hope that members will appreciate that I am trying very hard to be polite.

The Hon. S. C. Bevan: You want the men to work overtime.

The Hon. G. O'H. GILES: I think the answer I got previously is the answer to that. It was Mr. Shard who was saying that these men should not have to work overtime. I said, "What did the men want to do?" and Mr. Bardolph said, quite obligingly, "They want to work overtime".

The Hon. K. E. J. Bardolph: No, I said "work".

The Hon. G. O'H. GILES: No, "work overtime". That is exactly the answer I was fishing for and it is what I got, and, what is more, it is exactly the right answer. That is exactly what the men wanted to do. I do not object to their wanting to work overtime, nor would I object if they did not, but I am simply pointing out the answer the honourable member gave me.

The Hon. K. E. J. Bardolph: That is not true. Look at *Hansard*.

The Hon. G. O'H. GILES: Returning to some of the factors that are of some importance in this Bill, the real core of the problem of seasonal gluts at the abattoirs is, of course, not necessarily the conditions woven around the Metropolitan Abattoirs. The real core of the bother is the export surplus, and any legislation aimed at dealing with the glut due to this surplus is the right way to get over the problem.

The Hon. S. C. Bevan: That is only talk.

The Hon. G. O'H. GILES: I could not care less if the honourable member thinks it is talk. I listened to his opinions and I ask him to listen to mine, and I am going to talk on the importance of this export aspect.

The Hon. S. C. Bevan: You are not sincere.

The Hon. G. O'H. GILES: I beg your pardon. I am certainly sincere. One of the great problems involved at Gepps Cross lies in the fact that the abattoirs has to provide facilities to slaughter, treat, prepare, pack, freeze and store all livestock purchased by exporters and, apart from all that, it must provide delivery, and what I like about this legislation is that I envisage it will enable other undertakings to set up in various centres to cope with the export problem. Members may well say, "Why is there no provision in the Bill?" but I would answer, if there were an interjection on those lines, by saying that the thing we do not know is exactly the quota which will be set in terms of country abattoirs. This surely is one of the questions involved in this Bill. If the quota to come into the metropolitan area is in any way higher than the quotas that have been offered before, it will be added bait to help the establishment of country abattoirs. I believe that within a few years we shall have at least one country abattoir somewhere in the South-East, in the area I represent and an area in which I am vitally interested. It is known by one or two members in this Chamber that it is a matter in which I have taken a personal interest, and I hope one day to see it fulfilled. In other words, I am standing on my feet and not just paying lip service to an idea. I hope that with the help of many people, and the interest I can give, and the interest there is locally in the South-East, in the years to come abattoirs will be set up in that area. I believe that this is exactly what will occur under the Bill.

I want briefly to run through, for the sake of the record, exactly what our Government is prepared to do to enable country abattoirs to be set up. First, it is prepared to guarantee finance to a certain extent to establish country abattoirs outside a 50 mile radius of the metropolitan area. I do not know that a 50 mile radius is necessary and desirable. If there is a good case, especially if nearby there is a sea-port and loading facilities are available, the Government should consider it. Secondly, it is prepared to supply essential services rapidly and as expeditiously as possible and see that there is an effective functioning of such abattoirs as soon as possible after the decision has been taken

to establish one. The Government will see that the Electricity Trust and the Engineering and Water Supply Department—and it will try to work in with the Postmaster-General's Department—provide all necessary facilities. I am sorry that this is secondhand news to some members in this Chamber, but I intend to elaborate on it. Thirdly, the Government will see that the Housing Trust provides houses on the spot for employees. Fourthly, it will arrange, if help is needed, for the construction of killing works by the Housing Trust. Fifthly, and probably the most important of all, it will allow half the output of a country abattoirs to be sold on the metropolitan market as long as that is within one-seventh of the killed meat supplied to the metropolitan area. No firm has ever turned down the negotiations in progress to go to a country area because of some condition on which it could not get satisfaction. This applies in connection with Naracoorte, which was mentioned this afternoon, and Kadina, and as far as I know it applies in every case where a genuine step has been taken to establish works in country areas. I have forgotten the reason the Hon. Mr. Bardolph gave for Mr. Popp not finalizing the negotiations.

The Hon. K. E. J. Bardolph: I said he could not get a sufficient quota in the metropolitan area and was afraid of vested interests.

The Hon. G. O'H. GILES: If he could not get a sufficient quota, he could at least get a quota for half his output for the metropolitan area. That is a pretty ample provision. I was interested to hear Mr. Bardolph's remark because I had lunch with Mr. Popp, by chance, in a hotel in the district of Frome during the last election campaign. I assure members that, from the conversation, he was generous, because he spoke freely of the magnificent treatment the Government gave him in the proposal to establish meatworks at Naracoorte. He pointed out to me that his reason for not going there was that he was caught up with the economics associated with killing works. In other words, it is all very well to blithely talk about what the Government has done or has not done, and it is all very well to come out with political tricks, but the solid truth is that stock in the Naracoorte area were thinned by the drought, which was an awakening experience for anyone, let alone someone setting up meatworks, and the drift of the stock was such to make it not a good business risk at

the time. It is no earthly use anyone pretending, so far as I am concerned, that there was another reason apart from bad luck due to the drought and the movement of stock. I am satisfied that that is why the gentleman did not set up meatworks at Naracoorte. His praise to your committee, Mr. President, and the Government, could not have been greater for the co-operation he received in every way to encourage him and to enable him to set up meatworks.

The Hon. K. E. J. Bardolph: Is that the reason he gave the Premier?

The Hon. G. O'H. GILES: Despite Mr. Bardolph's utterances, where is the difference today by the passing of this Bill? The purpose of the amendment, which I gather the Hon. Mr. Shard will move in Committee, is completely lost on me, because conditions are still exactly the same. The best conditions to entice people to set up country abattoirs are still there. For anyone to try to pretend that the Bill has changed that position in any way, or unduly penalizes the possibility of country abattoirs being set up in any way, is surely sheer nonsense. There is no reason to suppose that this is the case. A great song and dance was made, and I saw it reported in a newspaper that a member in another place said that 99 per cent of the effectiveness of the Bill would be taken away if the Labor Party's amendment were adopted. I believe that it was probably said, but a completely wrong conclusion was drawn from it. I would not deny for a minute, and I was taken up on it, that there is a chance, and I hope it will come about, of setting up meatworks by someone in a place within 50 miles of Adelaide. I believe that this is completely right. It may be at Christies Beach or at Elizabeth. I do not know where it might be.

I said plainly yesterday on another Bill that competition does not hurt in these matters. From the point of view of the person living in the country, who is in the position of having to sell stock at the optimum time, and there is only one, with little leeway—a matter of a few days in relation to export lambs—the case must receive notice. That is why the Government has introduced the Bill. We could argue until the cows come home as to whether the union should have put a ban on overtime or not. This is of no interest to me at this stage. It is not my business, but what is my business is to support the Government on any Bill that provides some form of competition to apply in the selling of stock, whether it is for export or home consumption.

The Hon. A. J. Shard: Whether in the metropolitan area or in the country?

The Hon. G. O'H. GILES: That is quite right. That about sums up my case, and I thank the honourable member for helping me out. The point at issue is whether additional abattoirs should be built in both areas. The Opposition view is that we should allow the abattoirs to retain its monopoly. It is patent to me why the Opposition will vote against a Bill that will help the primary producers to quit their stock at the optimum time of the year. Their basic belief is that they want all kinds of things, apart from State-run services, conducted by a board without competition. This is inherent in the ideals of their Party. That is their business. My business is to point out that I do not believe that this is the right way to conduct ourselves when producers' interests are vitally concerned. I was taken to task by the Hon. Mr. Bardolph yesterday for doubting his remark, namely, that his Party always looks after the farmers' interests. This is another example of the Opposition's view.

The Hon. A. J. Shard: That is only your interpretation.

The Hon. S. C. BEVAN moved:

That this debate be now adjourned.

The Council divided on the motion:

Ayes (4).—The Hons. K. E. J. Bardolph, S. C. Bevan (teller), A. F. Kneebone, and A. J. Shard.

Noes (9).—The Hons. M. B. Dawkins, G. O'H. Giles, G. J. Gilfillan, Sir Lyell McEwin (teller), F. J. Potter, W. W. Robinson, Sir Arthur Rymill, C. R. Story, and R. R. Wilson.

Majority of 5 for the Noes.

Motion thus negatived.

The Hon. S. C. BEVAN (Central No. 1): I fail to see why this Bill is so urgent that it must be passed this afternoon or this evening. The debate could have been completed tomorrow, rather than the Bill being rushed through today. Obviously it will not pass today (unless Standing Orders are suspended) because there is insufficient time. I intend presently to seek leave to continue my remarks, although I realize that it will be up to the Council to decide whether I get leave. Much has been said about this measure, and every member opposite who has expressed an opinion has indicated his agreement with it. I oppose it, as do my colleagues. Despite what members have said about the establishment of another abattoirs, I believe that this Bill was introduced because the abattoirs' employees had the audacity to place an embargo on overtime in an attempt

to secure better conditions. The Chief Secretary made an incorrect statement during his second reading explanation, when he said:

All members are aware that at the present time there is a ban on overtime imposed by the union at Gepps Cross. This ban has been placed at a time when it is of the greatest urgency to kill as many stock as are offered. Lambs reach a peak of condition and quickly deteriorate if not slaughtered at the right time. The same applies, though to a lesser extent, to sheep. As a result of the present ban, there has been a serious loss to producers. I have no doubt that it was because of the imposition of that ban that this legislation was introduced. However, the ban was lifted at the time the Chief Secretary introduced the measure. Much has been said about this Bill, and the only interpretation that I can place on many of the remarks made by members opposite is that they believe that employees in an industry should work any hours and extended overtime merely to enable another section of the community to achieve its desires and receive what it considers its just reward.

Legislation provides for a 40-hour week, and these workers were abiding by that legislation. When the Hon. Mr. Giles spoke this afternoon I interjected and said he believed in compelling employees to work overtime. I admit that he did not agree with my statement, but his utterances bear it out. The honourable member misquoted when he referred to previous speakers after he said, "What do the men want?" If the honourable member had taken the trouble to read *Hansard*, as he should have done before he came into the Chamber if he intended to quote his previous remarks, he would have seen that the remark made by the Hon. Mr. Bardolph in reply to his statement "What did the men want to do?" was "Work".

The Hon. G. O'H. Giles: That's right, but we were discussing overtime.

The Hon. S. C. BEVAN: You insisted that the Hon. Mr. Bardolph's remark was in *Hansard* and that he said that the men wanted to work overtime, but the Hon. Mr. Bardolph did not say anything of the sort. He did not mention that. That is only the construction the honourable member has placed on the remark, because he found out he was wrong. During this debate all the blame has been placed on the employees and we have heard that this sort of thing has been going on for years, and that every year during the flush season some action has been taken by the men, but that is contrary to fact and it has been challenged by my colleagues and myself.

The Hon. G. O'H. Giles: I certainly didn't say that.

The Hon. S. C. BEVAN: I did not say that you said it. I did not mention your name.

The Hon. M. B. Dawkins: Who said it?

The Hon. S. C. BEVAN: I suggest that honourable members opposite refer to their own speeches in *Hansard* and they will soon see who said it. I still believe that no need exists for a second abattoirs in the metropolitan area. The present abattoirs is adequate and will be adequate for many years to meet all the demands made by the metropolitan area, although it has been said that something will have to be done because of our increasing population. Reference was made to the spare chain not being used at the abattoirs.

The Hon. W. W. Robinson: You said yesterday that it was rusted out.

The Hon. S. C. BEVAN: I said that by way of interjection and that, also, is apparently contained in *Hansard*. It was pointed out in this Council that this is a reserve chain and it is brought into operation on overtime, but my information is that the chain does not come into operation on overtime. In fact, the chain has not been in operation for some time. The Opposition suggests that if the abattoirs was working to capacity there would be no necessity to work overtime, because with the additional plant in operation the abattoirs in normal years would be able to handle the stock offering, even in the peak period, for slaughtering and for export.

The Hon. M. B. Dawkins: It was said that the present plant could not handle it.

The Hon. S. C. BEVAN: That has been denied. When the Hon. Mr. Shard was addressing himself to this question, members opposite interjected and said that the men were not available. This afternoon that was repeated by the Hon. Mr. Dawkins, who said that an application was made for labour and none was available. I assume that the honourable member was referring to the application made by the Abattoirs Board to the union. In fact, the union was able to supply more men than were requested. The Metropolitan Abattoirs is not training sufficient men in the slaughtering of stock. Had the men been trained, any amount of skilled labour would have been available to operate the chain that is now lying idle.

The Hon. Sir Arthur Rymill: I thought you said it was too rusty.

The Hon. S. C. BEVAN: Is it good economics to have the plant available and lying idle?

The Hon. Sir Arthur Rymill: You interjected yesterday and said it could not be operated now because the machinery had rusted.

The Hon. S. C. BEVAN: I suggest it is not good economic policy to have plant lying idle. I thank Sir Arthur Rymill for reminding me of what I said yesterday afternoon.

The Hon. M. B. Dawkins: The Chairman of the Abattoirs Board contradicted that.

The Hon. S. C. BEVAN: We have been told on the floor of this Council that that chain is in use and that it is brought into operation on overtime, but the fact is that the chain has not been operating for some time. During this debate the quota has been referred to. Let us see how sincere we are? I take members' minds back to the Wallaroo by-election. Just prior to that by-election the Government promised that it would set up an abattoirs at Wallaroo, but that promise was not honoured. Some time afterwards in this Council I asked what had happened to that proposal, and I was told that private enterprise was not interested in establishing the abattoirs. We were also told that the Government had purchased the land to establish an abattoirs there. I did not hear the champions of the primary producers raising their voices in protest, saying that there should be an abattoirs there, or that we should do something else about it. When Mr. Shard referred to the quantity of export reject meat that could be sold on the metropolitan market, the Chief Secretary interjected and asked whether half the production of a country meatworks was not considered sufficient. That was an indication that 50 per cent of the total weight of the killings would be allowed to come into the metropolitan area. That was a condition imposed when attempts were made to establish killing works at Wallaroo. Yesterday, in an interjection, I said that the quota was set out in the Act, and I was told that I should catch up on my reading. I have done that, and I do not know where the Government got its authority to promise that more than 10 per cent of the output could come into the metropolitan area. In 1958, section 78d (2) was inserted in the principal Act, as follows:

Subsection (1) hereof shall not authorize the sale of carcasses, portions of carcasses or meat within the metropolitan abattoirs area beyond the following limits: During every period of 12 months ending on the thirtieth day of June the total weight of the carcasses, portions of carcasses and meat which may be so sold shall not exceed 10 per centum of the total weight of the carcasses, portions of carcasses and meat which is derived from stock slaughtered for export by the licensee at such slaughterhouse or abattoirs and is exported as fresh meat in a chilled or frozen condition from the State during that period of 12 months.

If my interpretation of what the Chief Secretary said yesterday is correct, I do not know where the Government got its authority to permit 50 per cent of the output to come into the metropolitan area. The present move by the Government is contrary to all its previous actions in the matter. What happened in connection with the Noarlunga meatworks? Because it could not dispose of its surplus meat, it applied for a greater quota to come into the metropolitan area, but its application was rejected. The Government did everything possible to close that meatworks, yet we are told now that it is doing all possible to establish country meatworks, especially for glut periods. In the past the Government has tried to close meatworks. A country abattoirs cannot prosper unless it gets a proper quota. During the time of the argument about the Noarlunga meatworks, which was decided by the Privy Council, not even one of the champions of primary producers in this Chamber said anything about it. They were not interested in it then, but they became greatly interested in it when the Government changed its attitude because employees of the abattoirs had the audacity to ban overtime! One cannot put any other construction on it; they are the facts and everyone knows what the Government did regarding the Noarlunga meatworks. Do not tell me that the champions of the primary producer and the Government have done everything possible to relieve this position. I admit that the dry season and the grave prospects have aggravated the position. As last year was a dry year, many primary producers have used some, if not all, of their conserved fodder and, with the prospect until last week of another dry season, it was thought that many sheep would suffer from an acute shortage of feed. That has aggravated the position because the primary producer has attempted to get rid of his surplus sheep rather than see them starve. However, this has been used right through as an excuse. It is common knowledge that William Angliss & Co. some time ago obtained land at Dry Creek to establish an abattoirs.

The Hon. G. O'H. Giles: They have also bought at Kingston, haven't they? This is mere guessing. What does it mean?

The Hon. S. C. BEVAN: All it means is that they are waiting for the green light to establish an abattoirs to compete with the Metropolitan Abattoirs. If the purpose of this Bill were to set up an abattoirs to deal with stock in the flush period nobody would be interested, because it would not pay to set up

an abattoirs for this purpose. It was said this afternoon that, irrespective of this legislation and the way it has been put through the Council, it cannot take effect because an abattoirs cannot be established overnight, either in the country or in the metropolitan area. The best that can be expected is that some killings may take place next season if this Bill is passed. What is the objection to establishing an abattoirs in the country if there is access to the metropolitan market? The best place to handle stock is where it is produced, as it does not have to be transported as stock to the metropolitan area by rail or road. Under those circumstances it would not, as mentioned this afternoon, have to be left in stock paddocks for a considerable period before being slaughtered. A country abattoirs, being where the stock is produced, would eliminate all the difficulties I have mentioned. Apparently members opposite do not want that: they want it in the metropolitan area. Why? Members know why! If this Bill is passed in its present form the section in the principal Act to which I have referred will become meaningless. Clause 3 is the vitally important part of this Bill. It enables the licensing of abattoirs anywhere in the State and it empowers the Minister, in accordance with the licences, to permit whatever percentage of the meat he deems appropriate into the metropolitan area. If the Bill is passed it will provide an open go, and we can say goodbye to the investment in the Metropolitan Abattoirs. An abattoirs will not flourish solely on killing export lambs in the flush season. It must operate for a full 12 months. It would not be able to obtain employees for a short period, nor would it provide expensive plant merely to operate for three months. An abattoirs would need to be guaranteed a permanency of killing for the full year and it would compete openly with the Metropolitan Abattoirs.

The establishment of another abattoirs in the metropolitan area will sound the death knell of the Metropolitan Abattoirs in which about £2,000,000 of the taxpayers' money is invested. If another abattoirs is set up I sound the warning that the conditions that applied at the Metropolitan Abattoirs, and about which members opposite complained so bitterly, would be mild compared with any industrial disputes that may take place in a private enterprise abattoirs. The primary producer champions in this Chamber might find that a private enterprise would get no production at all. That could happen.

The Hon. A. J. Shard: It does happen in other States.

The Hon. S. C. BEVAN: Yes. We should do everything possible on behalf of the primary producers to establish an abattoirs in the country near the source of supply. By so doing we would overcome many difficulties about which members opposite have complained. An ideal location would be at Wallaroo where all the necessary facilities exist. In addition to electricity and water, Wallaroo has a harbour that could accommodate the bigger vessels used in exporting produce to our overseas markets. Fat lambs would not suffer as they do now from being transported great distances to the metropolitan area where they are placed in stock paddocks until slaughtered, so losing much of their bloom. If members opposite are sincere, they will advocate the establishment of a country abattoirs. I oppose the Bill in its entirety and I hope that it is defeated.

The Hon. Sir LYELL McEWIN (Chief Secretary): I do not think I should delay the Council at this late hour other than to mention one or two things that have been said by speakers in this debate which require an answer. We have heard much from the last speaker and other speakers about the effects of this Bill on industry, but there is nothing in the Bill dealing with any industrial matter. It does not touch any industrial conditions at the abattoirs. No speaker from this side of the Council has criticized the men employed at the abattoirs or derogated from their right to anything to which they are entitled and in respect of which machinery is provided. The mere banning of overtime does not in any way assist the industrial problem but it has had a serious effect on the producers of stock in country areas, particularly at this time. I think the Hon. Mr. Kneebone said, "What's the hurry now? We have had some rain. Nobody is worried any more. Let the thing go." Unfortunately, if these conditions recur next year, we shall be in the same position—that nothing has been done. If there is no need for this legislation and the position is met, I do not suppose anybody will be looking for a permit to kill if the sheep are being dealt with, so we need have no worries on that score.

What concerns me most is the extravagant remarks made about a rusty chain and, in connection with the establishment of a country abattoirs, the allegation that the Government has done everything to prevent its establishment and that, therefore, we should do something about establishing a country abattoirs contrary to past policy. That is completely

incorrect; there is no justification for such an allegation. Yesterday, when I indicated that it seemed to cause the Hon. Mr. Bevan some concern, I was told by the Hon. Mr. Shard that he had it on good authority that Mr. Pirie was an honourable man and nobody would question what he said. I am satisfied with that. I do not question any opinions that Mr. Pirie has. He is on the Abattoirs Board.

The Hon. A. J. Shard: No, he is not on the board; he is the Secretary of the Meat Industry Employees' Union. Mr. McInerney is on the board.

The Hon. Sir LYELL McEWIN: Anyway, I fully acknowledge Mr. Pirie's long association with the industry and that he is in a position to form an opinion, but I did ask the honourable member whether he would like to hear the company's views on the matter. I think that is all I need quote to indicate any part that the Government took in opposing a meatworks at Kadina.

This is a letter from the secretary of Kadina Meatworks Ltd. after a meeting of the board of directors had been held on Monday, April 9, 1956. This resolution was passed:

Following the receipt of letter from Metropolitan Wholesale Meat Company Ltd. dated April 3, 1956, which reads as follows:

That in view of—

- (a) steep increases in all costs (materials, building, plant, equipment, cold and chiller storage accommodation, transport, etc.) towards establishment of K.M.W.—which factors have been strongly stressed by our consultant and confirmed by our architect.
- (b) high capital costs governing fixed charges, which are constant and affect treatment rates and selling prices of meat.
- (c) deteriorating economic position in Australia and United Kingdom (our main export meat market) together with general restriction of credit and probable rise in interest rates.
- (d) depressed and uncertain state of U.K. market for all classes of imported frozen meat (Australian lamb has fallen by approximately 7d. a.c. per pound since November last) with increasing home production in U.K. and considerable increase in meat exports from Argentina and New Zealand.
- (e) loss of services of K.M.W. Limited's Chairman of Directors, Mr. J. D. Sellars, following medical advice after continued ill-health.
- (f) continually increasing overhead and operating costs, as experienced in Metro's business.

We sincerely believe that it would be unwise to proceed with the proposed establishment of an abattoirs and export meatworks in Kadina

—Wallaroo area, and therefore it was unanimously resolved that Metropolitan Wholesale Meat Co. Ltd. do not subscribe any further capital to K.M.W. Ltd. It was further resolved that a copy of the above resolution be forwarded to K.M.W. Ltd."

And being in complete accord with the views expressed therein, it is resolved with regret "That K.M.W. Ltd. do not proceed further with the establishment of an abattoirs and export meatworks in the Kadina-Wallaroo area, notwithstanding the fair offer made by the S.A. Government on permitted metropolitan quota and their co-operation in other directions".

Further resolution resolved: "That the above decision be conveyed to the Hon. the Premier, and that he be informed that in view of the foregoing resolution, no purpose can be served by further negotiations for the firm right of purchase price of power alcohol property at Wallaroo".

My board wish to express their thanks to you, Sir, for your friendly and full co-operation in the matter since negotiations towards establishment of the proposal were re-opened and resumed a few months ago.

They have expressed themselves satisfied with the conditions and assistance that the Government offered. It was not a question of encouragement from the Government. Much time has been given today in discussing quotas. The offer to the company was 50 per cent of its killing weight, with a maximum of 7 per cent of the metropolitan sales. That was the limiting factor. They were quite satisfied with the proposition. Mr. Popp was equally satisfied, but because of other conditions that were more favourable he went to Peterborough, where he has an abattoirs, which I understand is proceeding satisfactorily. He intends to place his abattoirs on a grander scale.

Mention has been made of the fourth chain at the Metropolitan Abattoirs. I refer honourable members to page 1024 of *Hansard* of September 20, where in reply to a question by the Leader of the Opposition in the House of Assembly all the information was given regarding the position. I am sure that members will peruse this statement of their own accord, in which they will find reference to the operation of the fourth chain. The statement has been made that the operation of this chain required another 27 men. This is incorrect, as, with other labour, the requirement would be increased to 65 men.

The Hon. A. J. Shard: There is a big difference between 27 and 65.

The Hon. Sir LYELL McEWIN: There may be. It has been said that there are only 27 men required to operate it. The statement of the Hon. Mr. Bevan that the chain is

rusted, has not operated for years, and cannot be operated now is untrue, because the chain has been well maintained and in fact was used this year for training slaughtermen. I presume that the manager of the works knows what is going on out there, and I believe I can place some confidence in his remarks in that regard. This is a statement of fact. He said:

In respect of the labour position the union did eventually provide the 156 men required, but the time lag in some instances was three weeks. The inability of the union to supply skilled labour is emphasized by the fact that on September 3, 1962, the management requisitioned 20 knife hands and to date only 10 have been supplied.

Claims were made that the men did not want to work overtime. I think that statement is rather discounted, because for years the men have worked overtime without complaint, and I believe everybody would have been happy if that position had continued. However, the economic loss occasioned by the ban has made it necessary that some of the prohibitions regarding killing should be removed at least temporarily when circumstances like this arise, and that is all the Bill provides for. I do not believe anybody expects abattoirs to be established all over the place, but at least we expect that whatever facilities are available will be put into operation to meet and serve the requirements of the community so that the public and the producer could have some use for this provision. I thank honourable members for the attention they have given the Bill.

The Council divided on the second reading:

Ayes (9).—The Hons. M. B. Dawkins, G. O'H. Giles, G. J. Gilfillan, Sir Lyell McEwin (teller), F. J. Potter, W. W. Robinson, Sir Arthur Rymill, C. R. Story, and R. R. Wilson.

Noes (4).—The Hons. K. E. J. Bardolph, S. C. Bevan, A. F. Kneebone, and A. J. Shard (teller).

Majority of 5 for the Ayes.

Second reading thus carried.

In Committee.

Clauses 1 and 2 passed.

Progress reported; Committee to sit again.

COMPANIES BILL.

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

BANKS STATUTORY OBLIGATIONS AMENDMENT BILL.

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

EXCHANGE OF LAND (HUNDRED OF TICKERA).

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:

That the proposed exchange of allotments 34 and 68, Town of Alford, as shown on the plan and in the statement laid before Parliament in terms of Section 238 of the Crown Lands Act, 1949-1962, be approved.

TRAVELLING STOCK RESERVE: HUNDRED OF FINNISS.

The House of Assembly transmitted the following resolution in which it requested the concurrence of the Legislative Council:

That the Travelling Stock Reserve (Camping Ground) in the hundred of Finnis, shown on the plan laid before Parliament on July 17, 1962, be resumed in terms of section 136 of the Pastoral Act, 1936-1960, for the purpose of being dealt with as Crown lands.

EDUCATION ACT AMENDMENT BILL.

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

APPROPRIATION BILL (No. 2).

Adjourned debate on second reading.

(Continued from October 9. Page 1305.)

The Hon. A. F. KNEEBONE (Central No. 1): I noticed that the Treasurer, when introducing the Budget in another place, referred to the duty of a Treasurer to frame financial policies, within the limits and resources available to him, which were designed to encourage and expedite a return to full employment of our available labour and other productive resources. With that I heartily agree. However, there is some doubt whether the financial policies indicated in the Budget will bring about this desirable result, and evidently the Treasurer had some doubts about that himself because he followed a remark about the rate of recovery possible in South Australia with the statement that our economy is greatly affected by the rate of recovery elsewhere in Australia. In today's newspaper we see a statement from Canberra about the improved position. Whether the rate of recovery in Australia will be as swift as it should be is necessarily governed by the actions of the Commonwealth Government. I draw attention to past history in relation to this matter and I will probably be accused—as Mr. Bardolph was—of living in the past when I refer to certain matters. The Commonwealth Government over the years has done many things in fits and starts, because restrictions

have been put on at one moment and lifted at another. As far back as 1949 we were told that taxation would be reduced and value put back into the pound, but we find that in 1950 and 1951 inflation came about and the Horror Budget was introduced, and this brought about a recession. The Horror Budget took its toll and a number of people were thrown out of work. The Government's restrictions were lifted and again by 1954 to 1956 we had inflation. This was followed by emergency legislation in the shape of the Little Budget which, again, caused unemployment.

The last effort on the part of the Commonwealth Government, which we remember well as it is still fresh in our memories, was the lifting of import restrictions in early 1960, and the imposition in late 1960 of credit restrictions the effects of which are well known to us, because within 12 months, from July, 1960, to July, 1961, unemployment was nearly trebled. If it were not such a serious matter it would be a laughing matter to hear Government speakers both here and in the Commonwealth Parliament seeking praise from the public for the fact that the situation is improving. If it were not for their actions we would not have had so much unemployment, and there would not be the talk about improvements in the situation. I was surprised that statements were made in this place about improvements in the position. The Minister of Labour and Industry submitted figures, and gave the Government credit for what it is doing in the matter. The South Australian Government is of the same political colour as the Commonwealth Government, so how can it dissociate itself from the credit squeeze yet associate itself with statements that employment is increasing? If it were not for the action taken we would not have had so much unemployment. Even at the best point of employment, the lowest unemployment figure that I could find was 12,000. On July 1, 1960, the unemployment figure in Australia was 47,000. Then the Commonwealth Government brought in the credit restrictions and the figure increased to about 113,000 in the following year.

How apprehensive must a man feel when he has just found work? When he hears statements from Government representatives that everything is all right, that we are on the crest of the wave again, that unemployment figures have fallen, and that the future looks bright, how must he feel? This is the time when we hear talk about inflation, yet thousands of

people are unemployed, and the unemployed people feel that action might be taken that would increase unemployment. They feel that when the Government says that things are good further restrictions will be imposed to reduce the amount of work available. We have employers applying to the courts for restrictions in some directions and liberalizations in other directions, particularly in the matter of getting more tradesmen. They say that more tradesmen are needed, but not many months ago we had a surplus of them. There may be a shortage in some industries, but that does not mean there is a shortage everywhere. In some industries tradesmen are becoming redundant because of the greater use of mechanization and the adoption of automation. To make a general statement that there is a gross shortage of tradesmen is unfair, and that is not true. Most of the men now unemployed are unskilled and semi-skilled, and I think something could be done to provide work for them. Much has been said about proposals to create work for them. About 12 months ago we heard much about the Torrens Island power station project, and there work could be found for these unskilled and semi-skilled people. The Government should press on with that work and not talk so much about it. Also, work could be found on the gauge standardization of the railway line between Broken Hill and Port Pirie. There has been much talk about this work and our Premier said that he would go-it-alone, but I wish he would go ahead with the work quickly because it would provide employment for these unskilled and semi-skilled people.

The Hon. G. O'H. Giles: Isn't the Public Works Standing Committee investigating it now?

The Hon. A. F. KNEEBONE: That could be, but we have heard much about projects and not seen much action. These projects are urgently needed. Earlier I was referring to approaches to the courts by employers about an alleged shortage of tradesmen. If there is a shortage, much of the difficulty can be sheeted home to the employers. It was said in Canberra that 50 per cent of the Australian employers do not take their full complement of apprentices, and that 25 per cent do not take any. A conference of representatives of industry to talk about apprentices has been suggested and I would be happy if one were held. If it meant the training of more apprentices the conference would have done a good

job. I think it will be necessary to speak strongly to employers and tell them the only way to keep up the number of tradesmen required is to carry out their obligations to train apprentices. Some employers do not train any, and recruit their tradesmen from other employers. Some employer organizations realize that some of their members are not doing the right thing, and are trying to get them to do so. The other day I noticed that the Government had issued instructions to some of the departments to employ as many apprentices as possible in order to overcome the shortage of tradesmen. That makes one believe that they were not attending to this position as they should have been. I noticed that on May 11 a new apprentices' training centre was opened by the Electricity Trust at Nailsworth. It was said at the opening that the trust employed 800 tradesmen and 215 apprentices. It is therefore evident from those figures that it is not employing its proportion of apprentices—one to three. It was not meeting its obligation by about 50 apprentices. Not all employers are doing the right thing in the training of apprentices.

The position in the building industry has been brought about by that most objectionable feature of an industry where at present it is a piecework industry, in which people are sub-contracting. They take on jobs on the basis of labour only, which is the basis of day labour. Because they are sub-contractors today and employees tomorrow they do not train apprentices. I can see a most unsatisfactory situation arising within the building industry, where there will be no properly trained employees because of this feature. As a result the degree of skill will drop in the industry, because people are not being properly trained. We find young people undertaking unskilled jobs, because of the position relating to the training of apprentices. Youths are going into unskilled jobs because they can receive more money. It is up to industry generally to make apprenticeship training more attractive to youths if they want to obviate a shortage of skilled tradesmen. At present apprentices have to be almost dragged into an industry instead of being attracted into it. Many youths are engaged in dead-end jobs, and this eventually results in the unemployment figures being increased. Some people talk about unemployable people, who could possibly be tradesmen today if the conditions of apprenticeship had been more attractive.

Another feature of the unemployment situation relates to those who are called "unemployable". They are unemployable because of the tendency of employers to seek quantity results instead of quality. Employers are not interested in offering employment to anyone over the age of 45. Often a man who has given his working life to an employer and still has many working years before him, is dismissed. Where can a man aged 60 find another job under present conditions? The result is that he becomes redundant. In fact, the employers say they do not want men in their middle-age, who should be in the prime of life. Many men could work beyond 65. There is the proposal of employers to introduce a system of adult apprenticeship. If the position were examined closely it would be found that this was not a solution of the situation, because these would be semi-skilled or unskilled labour. I do not agree with that. I think the position has been misconstrued, because employers are not prepared to employ people over the age of 45 as new employees. Such a situation should not exist. I am satisfied that a person who has spent the major portion of his working life in a semi-skilled or unskilled occupation is not a suitable subject for training as a tradesman. I believe, as most people associated with unions do, both in the Commonwealth and State spheres, that the introduction of a training scheme known as adult apprenticeship is only another way for the introduction of cheap labour, and the subsequent reduction of tradesmen's margins.

There is an application before the Commonwealth Arbitration Court and it is not a new approach. The position arose at least two years ago in the industry in which I was employed. Employers in this industry sought to have a provision inserted in the award whereby those who were not tradesmen should without serving an apprenticeship be allowed to do tradesmen's work provided there was one tradesman employed with them. It was not limited only to males, but also to females. The proposal was defeated, but apparently it was only a temporary victory because employers have come back again this year in the metal trades industry and in other industries seeking a similar kind of provision. As I understand it, the only judge of the ability of an adult apprentice to do work as a tradesman would be the employer, who could keep him on at a lower rate of pay until such time as he was considered to be able to do the work.

He would be employed as an apprentice much longer than the ordinary time of apprenticeship, namely, five years. Much has been said by supporters of the plan to introduce adult apprenticeship of the urgency of the matter in view of the usual period of apprenticeship being five years. It has been said that even if the employers took on now all the apprentices they were allowed under the proposition clauses of the awards, it would be five years before any benefit would be felt. Of course, this view is advanced only to bolster up a weak argument. It is not correct.

Provided that the employer is prepared to train his apprentice properly, instead of keeping him on such uninteresting and non-productive work as sweeping floors, applying oil and grease and running messages, the apprentice could become of much assistance to the tradesmen in an establishment long before his indenture was completed. I know of cases where apprentices have been used to do such minor jobs for the first three years of their apprenticeship. Sometimes an employer may want an apprenticeship broken off, because the boy is not adapted to the industry. How can he be adaptable if he is not given an opportunity? If a boy were trained he would, long before his five-year period was up and probably within three years, be of great assistance to the tradesmen in industry, although it does take five years to train an apprentice fully. That would greatly relieve the shortage of skilled workers in industry. Employers should note these facts and immediately face up to their responsibility by training tradesmen of the future for industry. To say that the unions will not agree with reasonable provisions for increasing the number of apprentices is quite wrong. In times of great crisis through which this country has passed the unions have come to the aid of industry and have agreed, where it has been proved that the country needs more tradesmen, to dilution in an attempt to overcome the problems. That reveals a patriotic gesture and it is one for which the unions should be praised. That has been done on more than one occasion, but now the employers desire a dilution of the dilutees introduced into industry during those periods. I was happy to note that a conference had been suggested and I am sure that any such conference will take steps to solve the problem, and if that has the effect of inducing employers to take apprentices in an attempt to overcome the shortage of apprentices it will have served a good purpose.

Provision has been made for subsidies for various organizations, some of which are charitable and others of various types. Although these are deserving cases, and the Government has correctly made provision for them one deserving case missing from the list is the Old People's Welfare Council of South Australia Incorporated. A subsidy for this organization might reduce costs in other directions. I attended this year's annual meeting of the council and was impressed with the service it is rendering and its effect on the old people of this State. A subsidy of a few thousand pounds would have assisted this council to have done more for our old folk. I shall quote one or two extracts from the annual report of the council to give members an idea of the work and objects of this worthy organization, but before doing so I wish to refer to an article headed "New life for the old" that appeared in the *News* of September 3, which was just after the council's meeting. The article states:

Social clubs for the aged have proved themselves a boon indeed, and Sir Stanton Hicks deserves a receptive ear for his plea for more Government assistance. As chairman of the Old People's Welfare Council, Sir Stanton protested at the week-end at the Government's "niggardly attitude" towards the clubs. He will not be in any way quietened by Sir Baden Pattinson's statement that the Government is taking "important steps" to assist the work of all youth organizations. The Government, of course, does rightly in supporting youth organizations. But the aged have their rights, too. Far too little is done in this State, particularly at Government level, to make life in retirement, often under physical handicap, more pleasant for our old people. Sir Stanton Hicks points out that the impact of social clubs on the lives of many lonely elderly people has been terrific. "They no longer sit back and wait for the end," he says. "They have become lively, active, and interested again."

Here then is a direct challenge to the State Government. No vast expenditure is needed. A few thousands would achieve wonders—a vast return from a relatively small investment.

The objects of the council are set out in its fifth annual report, and they are:

1. Generally to promote and assist the welfare and good of all old people in the State of South Australia.

2. To assist the work of statutory Governmental, municipal and other bodies and voluntary organizations which are engaged in respect to old people in providing facilities for physical and mental recreation, developing physical improvements, furthering health, relieving poverty, distress or sickness, or in pursuing any object which are now or hereafter deemed by law to be charitable.

3. To promote and organize co-operation in the achievement of the above purposes and to that end bring together in council representa-

tives of the bodies and organizations engaged in the furtherance of the above purposes or any of them within the State of South Australia.

4. To promote and carry out or assist in promoting and carrying out surveys relating to the needs of old people and arrange for forwarding to the proper bodies and organizations the relevant facts regarding such cases and causes of distress as it appears to be within the power of those bodies and organizations to alleviate.

5. To arrange and provide or join in arranging and providing for the holding of exhibitions, meetings, lectures and classes calculated directly or indirectly to further the objects of the council or any of them.

6. To convene Federal and other conventions and to assist in the promotion of similar councils in other States of the Commonwealth of Australia or elsewhere.

7. To do all such things as may seem to the council incidental or conducive to the attainment of the above objects or any of them.

In his report to the council Sir Stanton Hicks said:

I have again placed before the Premier our request for a subsidy of £2 for £1 on capital expenditure on Senior Citizens Clubs and for a subsidy of 16s. in the pound for maintenance and including hot meals. As you already know from last year's report, the actual annual sum involved would be approximately what it would cost per annum to maintain four elderly sick patients in hospital. It is no exaggeration to claim that the salutary aspect of existing clubs would in any year keep the equivalent of four people out of hospital for 12 months. Our request is to be considered when the Budget is prepared for the coming year.

The request was considered and rejected.

The Hon. Sir Lyell McEwin: Have they a financial statement in that report?

The Hon. A. F. KNEEBONE: I think so.

The Hon. Sir Lyell McEwin: How much do they raise?

The Hon. A. F. KNEEBONE: They establish clubs so that the old people can get together and, as the Minister knows, one of the causes of mental retardation in old people is that they are lonely. It has been said—and figures have been produced in support of it—that people who live alone have a tendency towards suicide and mental deterioration, and this organization endeavours to bring such people together to give them some interest in life and thereby keep them out of mental hospitals. The expenses of the organization are made up of salaries—there must be some full-time employees—printing, travelling, telephone, rent, catering, and so forth, and last year these amounted to about £1,400. The balance sheet is shown if the Minister would like to see it. The organization does

not conduct a home, but it keeps people out of Government institutions, and it claims that they have as a result caused some reduction of the number of people admitted to mental homes. The report continues:

I would again like to report the whole-hearted support we are getting from mayors and councillors, and the universal satisfaction that they express concerning the success of clubs established in their municipalities. If the Old People's Welfare Council has done nothing else it has achieved a great deal in this development of local social responsibility for the elderly citizen. Perhaps the most important comment I could make is that our Senior Citizens Clubs are active organizations in which the members are themselves dealing with their own problems and affairs. The senior citizens have shown quite clearly that all that was necessary was a comfortable meeting place where friendships could be formed and social interest aroused and maintained. To give point to this, our main activity at present, let me mention the facts disclosed by World Health Surveys of Mental Health of the ageing and aged. Suicide statistics for the aged are highest in industrialized countries. The age groups most liable are men over 70 in France, Belgium, Italy, Holland, Portugal, England, Australia and Switzerland. In Canada, Norway and Sweden the highest rates are in the 60-69 group and Denmark 65-74. The ages for women are 10 years lower. Mental and physical illnesses predispose, and in most countries the suicide hazard is highest for widowed or divorced persons. There is in the records a suicidal tendency in isolation. Reasons for greater frequency of mental illness in the aged lie in society itself. Although loosening of family ties has been rightly blamed, the survey disclosed no lessening of family affection. The causes lie in the fact that industrialization and urbanization encourage social and geographic movement which often deprives the elderly of human contacts. Ten to 20 per cent are computed to be so isolated. People living alone represent the largest number of persons admitted to psychiatric hospitals. Community responsibility therefore lies in providing facilities for more human contact, as a preventive measure. It is noteworthy that the World Health Survey report emphasized the importance of those very activities which the Elderly Citizens Clubs already provide. When our major aim of club development, which depends considerably upon Government subsidy, is achieved, then the Council can develop in relation to the clubs such extended activities as re-employment, legal assistance in settling their affairs, and social studies generally—all with the object of enabling elderly citizens to live in their own homes as long as possible. You will, I am sure, agree that this is a matter that involves us all.

It is stated that for the period July 1, 1960, to May 31, 1961, of the total admissions to Parkside and Northfield, 17.1 per cent were over 65 years of age, and anything that can

bring about a reduction of admittances of the aged to the mental hospitals by bringing about some way in which their isolation can be eliminated and they can be given some chance of retaining their mental qualities should be supported by the Government. Even on the basis of a business proposition it is better to spend a few thousand pounds in this way in order to keep people out of hospitals where the cost is great. With those brief comments I support the second reading.

The Hon. W. W. ROBINSON (Northern): I support this Appropriation Bill which provides for the extension of the excellent services that we have learned to enjoy in this State. I believe that the last three or four years have been the most fruitful in the development of public services in the history of South Australia, and I refer more particularly to the extension of electricity supplies through the length and breadth of the land whereby 94 per cent of our people enjoy the benefits derived from an electricity supply, to the improvement of our roads and to the provision made for the education of our children. There has been some criticism to the effect that the Government is not doing enough to meet the demands for skilled labour. During last year the establishment of 25 schools was considered and, in passing, I wish to pay a tribute to the Education Department for the manner in which it is looking ahead. First, an estimate of the additional number of children likely to begin schooling in a given year is made and then the required land is purchased and in that way the department has been able to provide schools for every child seeking admission. Particular emphasis has been placed on providing proper technical education. Land was purchased at Glenside for a new technical high school, to take the place of the old Adelaide Technical High School. The sum of £400,000 has been set aside for this school, which is expected to be occupied in May. Technical schools are being established elsewhere in the State and ample provision is being made to equip children to meet changing conditions in the future.

There has been a great improvement in our water supplies. The total capacity of our metropolitan reservoirs has been increased from 14,000,000,000 gallons to 25,000,000,000 gallons. The Myponga reservoir has been built to hold 6,000,000,000 gallons, and the spillway at Mount Bold reservoir to provide 5,000,000,000 gallons, at the low cost of £440,000. In some parts of the State the picture is not so good. For

instance, Kangaroo Island is having a bad time with its water supplies. Provision is being made for the pumping of water from a bore to supplement the present Kingscote supply, and a scheme has been approved for using water in Middle River to supply Parndana and Kingscote. Although the supply in Middle River has not been thoroughly tested, it is believed that water from it will meet requirements on Kangaroo Island for some time. Then there is Western River, adjacent to Middle River, water from which could be pumped into the service to provide an adequate supply. Rocky River is some distance away from Middle River, but water from it could be used also. On Eyre Peninsula the water position is grim indeed and in some areas restrictions have been imposed. As an emergency measure to operate immediately the Government has a scheme to make use of the Poldia Basin. I noticed on television last week that pipes were being placed in position and it is expected that during November the basin will be supplying an additional 1,000,000 gallons a day to supplement existing supplies.

The Hon. C. R. Story: How close to the surface is the water?

The Hon. W. W. ROBINSON: About three feet. In the rainy season the water comes to the surface. It is a basin extending over 1,000 square miles. It has not been properly tested yet, but a conservative estimate shows that it will produce an additional 1,000,000 gallons a day. The scheme will cost £502,000, but there will be a saving in the renewal of the main from Knotts Hill to Minnipa. It will not be necessary to have the previously envisaged main from Knotts Hill, and the saving will be an offset against the £502,000. At present practically no water is running into the Tod River reservoir, and the drain on the Wanilla Basin has been about 600,000 gallons a year. The safe draw-off from it is said to be 500,000 gallons a year, and because of the additional draw-off the level of the water has been reduced by 1ft. Of course, this cannot be continued indefinitely. Provision is made to link up eight bores with the five bores now operating in the Lincoln Basin. Early in November the 13 bores should be operating to provide 350,000,000 gallons of water a year. For the time being this will provide ample water supplies for the district around Port Lincoln, but the Wanilla Homestead Basin could be used to augment supplies.

Provision has been made for a main from Tailem Bend to Keith to cost slightly more than £4,000,000. During the investigations it

was found that in that area there was a dearth of good water. One could get the impression when travelling through it that ample water is available, but it has been demonstrated clearly that there is a need for the extension from Tailem Bend to Keith. When the work is completed an additional area of land will be brought into production. It is estimated that it will be 1,000,000 acres to carry 1,500,000 sheep. Members can calculate the value of the added production to the State. I am not giving all the details, as time will not permit it, but the information can be found in the report on members' files.

A reservoir has been suggested for Kangaroo Creek to supply 6,000,000,000 gallons of water, and the estimated cost of the work is £2,650,000. This work will include the provision of a road on the northern side of the Gorge through difficult country, costing about £1,000,000 for four miles. Efforts were made to avoid this expenditure, but it is essential that market gardeners, who have had an outlet for their products over the years, be provided with a proper road. The present road will be submerged by the new reservoir to a depth of about 150ft. This is a practical proposition and the reservoir will impound about 6,000,000,000 gallons of water to a depth of about 190ft. Little evaporation will take place, and the water will gravitate to the city, providing reticulated water at a higher elevation for people in the foothills. I pay a tribute to the officers of the department who gave evidence to the Public Works Committee on the project, and especially to a young university student who is now a cadet in the Engineering and Water Supply Department, a Mr. Shepherd. He has adopted a new technique, as a result of which the time in determining the type of structure has been reduced, and this will also save the Government a considerable sum. I also pay tribute to the Chairman of the Public Works Committee (Mr. Shannon) and the secretary (Mr. Deane), whom I have had the pleasure of working with for the last 3½ years. They have given excellent service.

The Hon. K. E. J. Bardolph: Does this committee carry out any of the proposals submitted to it?

The Hon. W. W. ROBINSON: It investigates thoroughly all the projects put before it in an effort to see that no mistakes are made or money wasted. I should like to mention a few of the public institutions that have been investigated during last year. No-one will deny that, for a number of years, we have had to

leave certain projects in abeyance until more important works were put into operation, such as housing and so on. It is now felt that we can improve such institutions as police headquarters. An eleven-storey building is to be erected at a total cost of £1,562,000. The committee was impressed with the work being carried out in their present headquarters by the police under difficult conditions. The building is to be of 11 storeys because it is expected that the Police Force will grow. Although nine storeys would have been ample for the present, it is necessary for the headquarters to have all kinds of equipment on top of the building; and it would have necessitated taking this equipment down and build the other two storeys later. The two extra storeys will be occupied by other Government departments in the interim.

The Hon. A. J. Shard: There have been no complaints about the building being of 11 storeys.

The Hon. W. W. ROBINSON: I do not think so. New headquarters for the Highways Department, which is now in Foy's Building, are to be erected at a cost of £744,546. There is insufficient room in their present headquarters for the spreading of maps and one almost tumbles over much of the equipment because of the lack of space. The headquarters are to be established at Walkerville, adjacent to the workshops.

The Hon. A. J. Shard: Are they at Walker-ville now?

The Hon. W. W. ROBINSON: The workshops will be adjacent when the new building is erected. I recommend any honourable member to visit these workshops and see the efficient manner in which the work is being done.

The Hon. A. J. Shard: The workshops are about a mile and a half from where the new building will be.

The Hon. W. W. ROBINSON: When travelling in a motor car it appears to be a very short distance. Another new wing is to be built at the Art Gallery at a cost of £153,000. The new wing recently completed was used during the Festival of Arts this year and there were many favourable comments. The Public Library is to be remodelled at a cost of £1,158,000. An inspection of the library by the committee indicated the need for an extension. I remember that the Hon. Mr. Kneebone in his maiden speech referred to the conditions at the library, and there was much truth in what he said.

Provision has been made for new gaols at Port Lincoln and Port Augusta at a cost of about £250,000. Under present conditions the department has to bring prisoners from Port Augusta to either Gladstone or Yatala and those from Port Lincoln are brought to the metropolitan area. Provision is made for the Port Lincoln Gaol to be erected four miles from the town on 70 acres of very good quality land, where the prisoners may be engaged in providing vegetables and milk for that institution, and it is thought possible they may be able to produce additional supplies for the Port Lincoln township, where it is difficult to get sufficient vegetables. It gives me much pleasure to support the Bill because I believe it is a means whereby the Government will be able to carry out excellent work and services to the State.

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

MARINE ACT AMENDMENT BILL.

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

ADJOURNMENT.

At 6.19 p.m. the Council adjourned until Thursday, October 11, at 2.15 p.m.