

LEGISLATIVE COUNCIL

Wednesday, February 2, 1966.

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

QUESTIONS**GOVERNMENT PRINTING OFFICE.**

The Hon. Sir LYELL McEWIN: Can the Chief Secretary make any statement about a decision on the site for the new Government Printing Office?

The Hon. A. J. SHARD: No, but I can tell the honourable member that I think the Public Buildings Department and the powers that be have made up their minds that the Kent Town site is not suitable. I believe some work has been done there but the site is not nearly large enough for what is proposed for the printing works and the additional storage facilities next to them. One or two sites have been mentioned, but I think the Leader will agree with me that to find a piece of vacant land where we can get about six or seven acres close to Parliament House is no easy matter. I assure the Leader and other honourable members that the Government is treating this matter as urgent, because we know the difficulties under which the Government Printer is working and how essential it is to get something definitely started. We are doing our level best.

The Hon. Sir LYELL McEWIN: Can the Chief Secretary tell me whether this difficulty over storage space concerns the Government Printing Office or other Government departments?

The Hon. A. J. SHARD: I should say it is a little bit of both: possibly, in the main, it concerns other Government departments. However, rather than discuss it now, I will ask for a full report on the facts and proposals in the docket and try to get a complete reply to the question next week.

CROWN LANDS.

The Hon. L. R. HART: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. L. R. HART: An elector known to me prior to Christmas was approached by officers of the Lands Department with a view to leasing a small reserve adjacent to his property. He was not interested in leasing it but informed the departmental officers that he would be prepared to purchase it. However, he was told that, because of Government policy, it would be impossible to sell the reserve to

him. When again contact was made with the department early this year he was informed that, because of a change in Government policy, the department was now in a position to sell the reserve to him. Will the Minister of Local Government, representing the Minister of Lands, ascertain whether it is now possible for people to have Crown Lands converted to freehold title?

The Hon. S. C. BEVAN: As the honourable member has said, this is a matter of policy and I ask that the question be placed on notice.

SCHOOL SPEECH DAYS.

The Hon. JESSIE COOPER: Has the Minister representing the Minister of Education an answer to my question of Tuesday last regarding school speech days?

The Hon. A. F. KNEEBONE: Yes. My colleague, the Minister of Education, has supplied me with the following report:

1. The Minister is aware that newspapers charge for the publication of reports and lists of prize-winners submitted by schools in connection with end of year functions. However, the newspapers do not charge for their publication of additional material, such as excerpts from the address of a guest speaker. This procedure has been in operation for a number of years and is not new.

2. The charges for publication of school reports and prize lists are paid out of school funds. There is no reimbursement to the school from public funds or from parents or school associations.

3. There was no cost to the taxpayers for publication of such information in 1965.

ANGLE VALE BRIDGE.

The Hon. M. B. DAWKINS: I ask leave to make a statement prior to asking a question. Leave granted.

The Hon. M. B. DAWKINS: Honourable members will know that I have previously asked several questions about the construction of a new bridge at Angle Vale. In recent months this work has commenced, but there have been some considerable delays in the construction of the bridge. I understand that the target date has been moved forward two or three months. Can the Minister of Local Government say whether this is due to a lack of ability on the part of the contractors to carry out the schedule or whether there are other reasons for the delay?

The Hon. S. C. BEVAN: I shall obtain a report regarding the delay in the construction of the bridge and convey it to the honourable member as soon as I have the information.

LIQUOR HOURS.

The Hon. R. A. GEDDES: I ask leave to make a statement prior to asking a question.

Leave granted.

The Hon. R. A. GEDDES: In October last year the Whyalla branch of the Australian Labor Party requested the State Government to consider setting up a Royal Commission on liquor trading hours. Will the Chief Secretary inform the Council whether the Government has considered this request?

The Hon. A. J. SHARD: As far as my memory serves me, and I make it perfectly clear that I am not at every Cabinet meeting, there has been no discussion on the matter mentioned by the honourable member.

MOUNT BARKER ROAD.

The Hon. Sir NORMAN JUDE: I ask leave to make a statement prior to asking a question. Leave granted.

The Hon. Sir NORMAN JUDE: Some months ago I directed a question to the Minister of Roads regarding the urgency of providing on the Mount Barker road passing bays on the up-grade between Aldgate and Stirling and between Stirling and Crafers, in view of the fact that it will be impossible to complete the freeway for some considerable time. The Minister told me that he would press the matter with the department. I am a frequent traveller over the road and, as yet, have seen no action in this regard. I am aware that there has been some problem with the Postmaster-General's Department regarding an underground cable. Will the Minister take up the matter again and let me have a report?

The Hon. S. C. BEVAN: I shall be only too happy to take up the question again and to give the honourable member an answer as soon as I have a report.

ROAD AND RAILWAY TRANSPORT ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from February 1. Page 3636.)

The Hon. C. R. STORY (Midland): I have given much consideration to this Bill. We have been thinking and talking about it almost since the Government took office. As the Minister will remember, a series of questions has been asked in this Council about the form the measure would take and answers have been given from time to time. Then, a Bill was introduced in another place. I think that the Minister has been worried about this measure right through and that he is no less worried at this time, and, if I may say so, he has a lot to be worried about because this Bill re-introduces transport control in this State; in fact, it makes some changes to the original

legislation which was introduced in another place. The other place made certain amendments, and we now have a Bill that is not the same as the Bill first envisaged by the Government. There has been a number of suggestions that the Opposition in both Houses of Parliament is not interested in the railways.

Let me at the outset give the complete lie to that statement. The Opposition is vitally interested in the railways of this State. It almost sounds, when one listens to Government speakers on the subject, that the Railways Department is the particular property of the Labor Party; it may be that they feel it is a kindred spirit with the Party because it is a socialized organization, but it is the responsibility of the whole of Parliament.

When this Bill was first introduced it consisted of 4½ pages, and the Premier used approximately 4½ pages of *Hansard* to explain it in another place. After a lot of consideration, the Bill that has now reached us consists of 7½ pages, with 8½ pages of Ministerial explanation in *Hansard*. Without wanting to bring politics into this discussion (I would not like to do that), I must say that there are four things in particular that I feel have made it necessary for the Government to make certain modification to the original Bill. The Government found it necessary to honey-coat the explanatory speech with which the Bill came here.

I believe that the principal factor was the force of the debate on the part of the Opposition in another place in pointing out the obvious frailties and anomalies in the original Bill. The second factor was the general refusal of the public to accept the re-introduction of transport control, as has been evidenced by the spontaneous protests in many parts of the State. Thirdly, I believe that the Government is in desperate need to keep faith with its supporters, particularly at the Trades Hall, who have pushed the Government constantly and unmercifully to get on with its policy of socialization. The fourth factor is the vital need to raise extra revenue to implement the policy speech promises, plus a number of new gimmicks that have been hastily thought up since the election.

Those, I believe, are four very good reasons why it has been necessary for the Minister to come up with additional explanations to the same Bill, because the Bill has not changed, in actual fact, from the one that left the other place; we have not been barraged with whole sheaths of amendments to this Bill at all. It is almost like having Saturday's roast dressed

up as rissoles for Sunday. It is the same old thing but in a different form: getting it with more explanation, with more undertakings and with more promises.

I believe that there are some very obnoxious provisions in this particular piece of legislation, and foremost of all is absolute government by regulation, and I am violently opposed to government by regulation when it is done in the extreme. We have to make regulations under practically every Bill that becomes an Act, but we must lay down the framework on which to hang them. Those regulations when formed must fit in precisely with the Act. I am not suggesting, and would not suggest, that the Minister has in any way intended not to be perfectly honest about the things he would do in his undertaking that he said he would do, but I do not think he can do very many of these things, because he has not the framework on which to hang the regulations. So much of this measure has been left to the discretion of the Minister and of the board, to the direction of the board by the Minister, and to the recommendation of the board to the Minister that certain other things should be done. There is no doubt that it is wide open.

When the Minister gave his second reading explanation, I took the trouble to try to work out what many things in the Bill really meant. I tried also to match up the Minister's explanation with the actual wording of the Bill. It is very complex. I, for one, would like to see this Bill with all the effects written into it. I do not give a continental who is in Government or who the Minister is: this is a terrific responsibility upon the Minister. He can be laid open to the gravest charges by political opponents, by people outside, that he has done certain things to curry favour, that he has done something else that is completely contrary to the way in which it is set out. In his explanation the Minister was at some pains to mention the various Royal Commissions on railways. I suppose that naturally he has used to bolster up his case certain sections of the Royal Commission reports that are convenient to his side of the argument. He mentions particularly:

The Royal Commission constituted in 1947 stated in its report, when referring to intrastate transport: "The co-ordination of the various transport agencies operating within the State with the object of evolving a duly integrated transport system is essential."

Those are fine words but this Bill does not do that at all—anything but that. It does

not co-ordinate, unless the Minister has something up his sleeve about which he has not told us. In the words of the second reading explanation and according to the Bill, this legislation does not co-ordinate all these various things. It does not even allow this whole thing to work in open competition.

I say that to the Minister because I sincerely believe that the Bill does not, as he has suggested, co-ordinate, and I think that is why he wrote that piece into his explanation—that he was going to do this. Next, he mentions in his explanation that in effect the carriers will operate free, but this is something, too, that I challenge immediately because it is not free. The Minister knows as well as I do that they are paying a third of a penny a ton-mile now.

The Hon. A. F. KNEEBONE: Not all of them.

The Hon. C. R. STORY: No, but a very large number of the people concerned are. I know that some carriers are not at the moment.

The Hon. A. F. KNEEBONE: Not under the Road Transport Act.

The Hon. C. R. STORY: I know that, and I know the purpose for which the Minister has put this provision in—to catch up with this group of people—but a large number of people caught in this legislation and under the ton-mile tax will be the same people. They pay a third of a penny a ton-mile, which is what they pay in Victoria; and we are going to superimpose—

The Hon. A. F. KNEEBONE: Except that in Victoria it is on four tons.

The Hon. C. R. STORY: I appreciate that in Victoria there are more generous exemptions in many cases.

The Hon. A. F. KNEEBONE: And control is restrictive.

The Hon. C. R. STORY: No; I would not agree with the Minister on that, because I have operated vehicles in Victoria. It is much easier to negotiate the provisions of Victoria's Act than it will ever be to negotiate the provisions of this legislation, because they have a very much more clearly defined set of rules to work on, in the first place. However, I make this point that many people who are caught up with this tax are the people who are at the moment paying a third of a penny a ton-mile. The Minister says:

Control in Victoria, Western Australia, and Tasmania is exercised by limiting road transport, while in New South Wales and Queensland transport is allowed to operate in competition with the railways, but upon payment of substantial fees.

I do not think the Minister is exaggerating when he says that that is the position—“substantial fees”. However, I shall not deal with those fees at the moment but will get on to the proposed fees that the Minister has in his own schedule and try to compare them with some fees in the other States. The Minister also says:

It has been decided that what I shall call an “open” system—based on readily available permits associated with the payment of a ton-mile fee, calculated on carrying capacity, when competing with the railways—is the one most suitable to this State.

In my opinion, none of them is suitable for this State; I do not believe they are. Once more we are drawn into this business about which we have heard so much since the new Government came into power—bringing us more closely into line with the other States. I do not mind if that works in some directions. We have derived benefits from some of this legislation in the past before this Government assumed office, but we seem to have this constant desire to get alongside the Joneses, to be just the same, all in the same mould—like jellies: they are all shaped the same and look the same. We do not all want to be the same. South Australia has not been the same in very many ways.

The Hon. D. H. L. Banfield: That is why we are in such a mess today.

The Hon. C. R. STORY: That is why I believe we have made progress. I gave the Hon. Mr. Banfield credit for having more sense than to say something like that. We are not in a mess today, although we might be heading towards one. I do not think that our figures are so shocking.

The Hon. D. H. L. Banfield: Are our railways a paying proposition?

The Hon. C. R. STORY: If the honourable member can contain himself long enough to hear what I have to say he will be in a much better position to interject.

The Hon. D. H. L. Banfield: What about railway losses?

The Hon. C. R. STORY: They are not common to South Australia; they are Commonwealth-wide.

The Hon. D. H. L. Banfield: We are in the worst position.

The Hon. C. R. STORY: If we use figures as people sometimes use them—

The Hon. R. C. DeGaris: And use them very well.

The Hon. C. R. STORY: Yes. We had a magnificent exhibition yesterday of a collection of figures. If the honourable member checked

his homework and gave it to the Government’s adviser on all matters dealing with figures, he would find that he was about 24 or 25 per cent out. Anything can be done with figures.

The Hon. D. H. L. Banfield: He was not that much out.

The Hon. C. R. STORY: Yes. I do not want to name the honourable member but if he continues to chirp he will give himself away. With regard to the losses mentioned by the honourable member, anybody would think that South Australia had the only railway system not making a profit. Can the honourable member tell me of any Australian railway system that is making a profit? When making calculations about railways more must be done than just taking figures; the basis of the calculations must be discovered. New South Wales, for instance, takes in with its figures the road tax contributions.

The Hon. G. J. Gilfillan: And superannuation.

The Hon. C. R. STORY: Yes. If £1,600,000 was taken from the New South Wales figures it would be found that the State was losing much more than the figures show.

The Hon. G. J. Gilfillan: It is round about £3,000,000.

The Hon. A. F. Kneebone: But they have the assistance of control. Without it they would be in a worse position.

The Hon. C. R. STORY: I suggest to the Minister that he not get in too early on that, because I am going to deal with it. The Queensland position does not look too bad with its heavy controls and extremely high fees.

The Hon. R. C. DeGaris: Do you mean freight costs?

The Hon. C. R. STORY: I mean fees levied against operators in order to bolster up the picture. In Queensland there has been a loss of £55,000,000 in the last 10 years.

The Hon. A. F. Kneebone: Their position is improving.

The Hon. C. R. STORY: It should be improving. When people are pushed off the roads goods must be carted about the country somehow, and if the railway figures do not improve in Queensland then heaven help us.

The Hon. G. J. Gilfillan: Their losses increased last year.

The Hon. C. R. STORY: I have no doubt about that. Consolidated revenue provides about £5,500,000 that does not show in the railway account at all. In South Australia it is not the operation of the railways that gets the department into bother. Our railways are not doing a bad job at all, but it is the interest bill

that kills. I am sure that if we visited one of the scrap heaps where the railways dump their hulks we would find some bits and pieces which travelled from Adelaide to Gawler 115 years or so ago on which we are still paying interest. It would not be possible in private business; the bookkeeping system would not allow it.

The Hon. A. F. Kneebone: It would be written off in depreciation.

The Hon. C. R. STORY: That is so. The South Australian Railways is faced with a huge interest bill, as are other Government departments. I cannot see any logic in the statement that the railways interest bill must be paid by a small section of the community. The Engineering and Water Supply Department's interest charges do not seem to be anybody's worry. The water rate is simply increased, but the railway deficit, which is mainly an interest deficit, is to be loaded on to a small section of the community, as proposed in this Bill. I have not heard any suggestion from the Government side that it is proposed to increase passenger fares in the metropolitan or country areas, yet, if the position were analysed, it would be found that that is where much of the railways trouble occurs. They have not worried about that side of the matter. It appears that there is nothing in the Bill that tries to improve this position. Is it because the great weight of the people who voted for the Government are affected more by the passenger side than those affected by the freight side? In 1963-64 the railways carried £15,000,000 worth of goods, £11,750,000 of which concerned four commodities, all grown in country areas.

The Hon. R. C. DeGaris: Grown or carted?

The Hon. C. R. STORY: Three were grown and carted whereas the fourth commodity, general merchandise, probably originated in the metropolitan area and went to the country. About 70 per cent of the revenue came from producers and users of those commodities, but it is proposed that they be the means of wiping out the railways deficit. No mention has been made of increasing passenger fares.

The Hon. C. D. Rowe: Or of effective measures to increase passenger traffic.

The Hon. C. R. STORY: That is so. The Minister has not said how he is going to improve the position of the railways. The Government has not decided what it will do with the spoils, if it gets them. If the Minister had said that the Government would approach the matter, as another Government did in the 1920's when Mr.

Webb was brought out and a plan was agreed to about the money to be spent each year, I would have said that he was getting somewhere. However, he has merely decided that the one thing to do is to make the railways pay, and the people in a restricted category will have to make them pay.

The Minister has said that during the last adjournment of Parliament the Government considered the action to be taken to do certain things. He said that it was earlier proposed that a permit system would be required, at a nominal charge of \$4 for 12 months or \$1 for up to one month in respect of exempt journeys. I am interested in this point, because it is here that we find the real teeth in the Bill. Section 3 of the principal Act is to be amended, and the main amendment is the inclusion of the words "with the approval of the Minister". These words recur practically all the way through. In one amendment there is an alteration to the definition of "primary producer". I do not know the Minister's aim, but the definition is as follows:

"Primary producer" means any person engaged in the pursuits of agriculture including fishing, horticulture, viticulture and the use of land for any purpose of husbandry including the keeping or breeding of livestock, poultry or bees and the growth of trees, plants, fruit, vegetables and the like:

Clause 5 (d) of the Bill provides that the following vehicles shall be exempt from the operation of the Act:

(a) any vehicle owned and used by a primary producer for the carriage of produce of his own land or goods required for primary production on his property or for personal use where the load capacity of such vehicle will not exceed eight tons;

I do not know whether the Minister himself set out to insert this provision, but he would know that in these days most properties are held in joint names or as family companies.

The Hon. G. J. Gilfillan: And share-farmers.

The Hon. C. R. STORY: Of course. It does not prevent the share-farmer from carrying his own goods to his own land, but it restricts the primary producer by putting him into an extremely narrow category of people. This is not open to all primary producers. I do not know whether the Minister so intends, but the inclusion of the word "own" prevents the operation of the Acts Interpretation Act. Otherwise, it would enable a company to be regarded as a primary producer.

The Minister went to the trouble of defining "primary producer" and if it had been left

at that everything would have been all right. However, the words "own land" alter the position. Only the person who is an operator in his own right will be able to benefit from this provision. Some of the things we thought might be included in the Bill have been cut down. The provision regarding fees and exemptions is also interesting. It reads:

The board shall upon application, where it is satisfied that payment of the prescribed fee has been or will be paid, issue a permit for the carriage of goods over all or any part of a controlled route. The Governor may by regulation fix maximum fees for the issue of permits under this subsection, such fees being based on the load capacity of the vehicle and not exceeding two cents per ton mile: Provided that the Minister may direct the board to charge a fee less than the prescribed maximum fee or to remit entirely a fee in such circumstances as he deems justified.

That means that the Minister will bring regulations to Parliament and that from the time Parliament approves them the Minister may direct, or the board may recommend, that some categories be altered without any reference to Parliament. It will be entirely at the discretion of the Minister.

The Hon. A. F. Kneebone: They may be reviewed.

The Hon. C. R. STORY: Fees may be reduced or remitted, but that is not the way to do it. When new regulations are promulgated Parliament approves or rejects them, but under this Bill, although the maximum fee may be fixed the Minister may later fix a lesser fee, grant an exemption, or play around with the matter as he likes. That is one of the real frailties in the Bill.

The Hon. A. F. Kneebone: This is done in every department by the Minister.

The Hon. C. R. STORY: That does not detract one bit from a principle that I dislike. I am not being critical of the present Minister, but the provision leaves the door open for all sorts of hanky-panky business. With a flick of the pen, the board can be directed and things can be altered from day to day. I have an interesting document which states:

The attached list of charges for the carriage of goods by road under the provisions of the Road and Railway Transport Act Amendment Bill is only tentative. There are a number of items not included which are at present the subject of consideration by the Government as to whether charges will or will not apply. Examples of these are wine and spirits, petroleum products.

This is another piece of evidence that this Bill is half baked. The Government had not given sufficient consideration to this legislation when it brought it down, otherwise it would

never have come down lacking all the things that the Government, pressed by the Opposition in another place, agreed to put in. I would have thought that if it was so important to get this Bill into Parliament in the first few months after the Labor Party took office, it would have been almost ready to be introduced at the beginning of the session. It was mentioned in the policy speech. I would have thought the Government would have given greater attention to this Bill, but here we are six or eight months after first hearing about it, with this tentative list the Minister has given us, and the Government still giving consideration to certain items in exactly the same way as the next heading—"Goods for which permits are issued at one cent per mile for each ton or part thereof of the load capacity." This is still subject to confirmation; there is not one bit of this set out in the Bill. There is no schedule to the Bill, which one might have expected.

The Hon. C. D. Rowe: That is what we had in the Bill last year.

The Hon. C. R. STORY: We had the schedule and we knew where we were going. The Minister of the day in this Council fought very strongly over this legislation (as he and the members of this Chamber will remember) with the then Government supporters, and these matters were tidied up before the Bill got to the point of being passed.

The Hon. A. F. Kneebone: Didn't that Government give serious consideration to it?

The Hon. C. R. STORY: The Government gave a lot of consideration to it and I am sure this Government has too, but the difference is that this Government has been told that these things should be included in the Bill. For some unexplained reason, none of these things got into the Bill, except the definition of primary producer which is wrong and does not carry any weight—whether by design or not I do not know.

Looking at some of these things, one would wonder how the Government or its advisers have classified them. I imagine that the object would be to put the very high rating on the goods that are the most lucrative to the railways (that would seem logical to me) and those that the railways can carry most easily and make a profit on. For some unknown reason we have had many of these commodities carried by the railways for a long time and not subject to the competition of road hauliers, and they have been the subject of contracts with the railways and those contracts have

been largely honoured by the people who entered into them.

I find it rather difficult to believe that anybody would send dried fruit by road when he has had contracts with the railways for many years. The only dried fruit that travels from the river areas is that which has to be rushed out for shipment, and it would not be more than a few tons at a time to top up an order. We have ales and aerated waters in the list of goods to be charged, and I cannot for the life of me understand why the railways would want to carry ales and aerated waters, but they must want to carry them as a charge of 2c a ton-mile has been placed on them. I have had some experience, as have other honourable members, of seeing what ales and aerated waters look like when they arrive at their destination in a railway truck.

The Hon. Sir Norman Jude: What they taste like, not what they look like.

The Hon. C. R. STORY: There is nothing to taste; most of the bottles are broken, and that is why all hotelkeepers have gone to the expense of putting on ancillary vehicles to cart their beer. There are certain things the railways can do and certain things they cannot do. This Bill savours to me of taxation; it does not set out to do the things the Minister said it would do. If we impose 2c on beer and aerated waters, and lump them in with bitumen, bitumen emulsion, tar, cement (bagged and bulk), concrete beams, blocks, bridge sections, kerbings and posts—vegetables, etc.

The Hon. Sir Norman Jude: It sounds like a Government cocktail.

The Hon. C. R. STORY: Yes. If they were loaded into a 40-ton truck you would have a pretty decent sort of show. Then there is 2c on firewood; I don't know why. I cannot imagine firewood being an attractive proposition for a road haulier; I do not think it is, but I do know that tremendous amounts of firewood come down from the mallee areas on railway trucks. For the little business that road transport does in firewood we are going to rate it at 2c a ton-mile for people who want firewood in the metropolitan area who, very often, are people who have no gas and electricity; they are mostly in the poorer bracket and, if they are away from the destination of a railway, once within the golden circle of the 25-mile radius they have to pay the high impost of 2c a ton-mile.

Limestone, lime and lime products, lead, manufactured hard and soft boards bring me to another interesting point. I do not know if the Minister of Transport has yet had the

privilege of travelling in the Dort car to inspect some of his country railway stations, or whether he has yet been invited to travel in the Commissioner's coach. However, I can assure him that there are very few places outside of the metropolitan area where there is any facility for mechanical handling.

The people in my home area have been pretty good patrons of the railways (in fact, for many years that was one of the lines that paid), but we have a railway station built many years ago of timber, which is a sweat box for people who work in it. On the opposite side of the track we have a freight shed. We have two platforms. I should think the total length of platform would be 300ft. or 400ft. The nearest we get to anything mechanical is that we have a gantry crane.

The Hon. G. J. Gilfillan: A hand crane?

The Hon. C. R. STORY: Yes, and this, too, is an interesting thing from the railway's point of view. The people who take possession of bulk goods are themselves responsible for getting them out of the railway trucks: few permanent staff are there to do that sort of work. If there is a load of timber that we have to sling on to a truck, we first get in and adjust the sling. Then we fix it on this prehistoric monster, and three men get hold of the handles and turn until they get the load up above the side of the truck; then they swing it around on to their own vehicle. When we are dealing with hardboard, timber and logs today it is not so bad: the truck pulls up and the fork-lift goes in and takes the load away, which is a simple operation; but, if we have to break down into small logs, it is very expensive and besides the freight cost we have the extra cost of the double and treble handling. However, I think I have laboured that point long enough.

One thing that intrigues me is:

Pipes—asbestos cement, earthenware, concrete, steel and cement lined.

To show honourable members just what the other Government departments think about the Railways Department moving fibrolite piping, will the Minister tell me how much departmental fibrolite piping goes by rail and is transported out to the job? It does not happen, much to my annoyance, because I have spent a number of hours at ferries in the last 10 years waiting whilst huge Engineering and Water Supply Department vehicles transported across the ferries (before the bridge was built at Blanchetown) fibrolite piping from Elizabeth. On a ton of fibrolite piping an agent is allowed 10 per cent and, if anybody

drops and breaks one stick of fibrolite piping, he has lost his profit on the ton. I do not know whether the Minister has had experience of what has happened to fibrolite piping carted by rail. First of all, it is put up into frames, when it is sent, say, to Western Australia. It is a big job, and very expensive; but by road transport it is comparatively easy to do it, and it is landed on the job where the work is to be done. This is charged at the rate of 1c a ton-mile. Then the Minister referred to spray piping and aluminium tubing—the lifeblood of the horticultural industry of this State. It is absolutely necessary. We need it to make the country tick. We impose an extra 1c upon every ton of this material. Then there is “Honey—from point of production to market”. Why do we legislate for honey to be put on the railways? I imagine the honey production would be carried mainly on small operators’ trucks when it is extracted in the field and brought down to the market. Apiarists and their goods and their bees are carted round the country.

The Hon. A. F. Kneebone: Carried on their own vehicles of course?

The Hon. C. R. STORY: Yes, but the moment the apiarist gets over eight tons or while he is looking after his bees, somebody else tries to take the honey to town for him. I cannot see why honey that has been extracted should not come into the same category as fish, either fresh or frozen. I think I have dealt with enough of these things to illustrate that there are a number of frailties that I am not at the moment prepared to accept, because I believe these things are essential.

To give us some idea of the administration of this legislation, the Minister leads me to believe by little things he has said in this Chamber that this legislation is either modelled upon that of New South Wales or closely allied to that of Victoria.

The Hon. G. J. Gilfillan: Or Queensland.

The Hon. C. R. STORY: It could be Queensland, because they have three categories of horse in Queensland. One can get a trotter through for 1c, a racing horse through for 2c, and a polo pony or a horse going to a rodeo is “on the house”.

The Hon. A. F. Kneebone: Our proposal is better than theirs in that respect.

The Hon. C. R. STORY: They are all the same sort of horse although some are a little bigger than others and some are a little faster or slower; but they are all horses. I cannot see how we can differentiate between types of horse, paying 2c in the case of a horse that is

a bad risk and getting down to 1c or 1d. for another type of horse. The more we get mixed up with this control business, the worse the position becomes. As regards the administration of this Act, the Premier said in his second reading explanation that it was expected that this legislation would bring £200,000 into the Railways Improvement Fund and that it would improve the position of the Railways Department by £1,000,000, £500,000 of which would be profit. We have increased our list of exemptions tremendously. We have defined 150 miles on the map for the first time to make that position clear. We have reduced our fee that we originally set out and have exempted many people—those lucky people who can travel all round South Australia provided they do not get into the golden circle.

I do not know how this comes about, but the Minister is still sticking to his £200,000, although he has reduced the charge on some things and taken others off his schedule, altering the schedule considerably; but he still sticks to his £200,000. The experience of honourable members here 12 months ago was that we had the same sort of thing put forward, that we thought we would get about the same amount of money from the ton-mile tax. I think I am correct in saying that the figure is about £1,000,000. I believe this Bill will work out in much the same way, but if not the figure was wrong in the first place. The administration of this Bill will of necessity mean engaging many people to police it. If it is not policed, the position will be completely futile and a waste of people’s time and money. As an illustration, let us consider a 10-ton cargo loaded in the metropolitan area for delivery in a country centre. It may include 10 different commodities, which would not be unusual with a country carrier. The load must be categorized into 1c or 2c groups. How is such a load to be computed? He may have a ton of cement at one price, and a ton of another commodity at another price. He may drop off some of the goods as he makes his journey. Is he to keep a running tally so that in the event of his meeting an inspector and being asked what he has on his truck he will be able to say “I think I have so-and-so tons, but I dropped some of it off along the way and I have forgotten the weight of it”. That will happen constantly.

The Hon. S. C. Bevan: Of course, he would not have cart-notes for the goods that he was carrying!

The Hon. C. R. STORY: He would probably have had about the same education as myself.

He would have to work out his weights, keep a schedule, and his book-keeping would have to be right. He could not afford to keep on making mistakes. My point is that he will be expected to be a human encyclopaedia and a ready-reckoner.

The Hon. A. F. Kneebone: How does he charge his customers if he does not know what he is carrying?

The Hon. C. R. STORY: His job would be to drive the truck. An accountant would be employed to do the book work. The driver should not have to be an accountant. The man in charge would send the invoice through the post and it would be all worked out, but the driver must be able to answer the inspector when he wants to know what categories are on the truck. The inspector would have a fine time trying to find out what the trucks were carrying.

The Hon. A. F. Kneebone: The driver would have to answer to his employer for the goods he had; otherwise, how would the freighting officer or employer charge the customers? He must have a return.

The Hon. C. R. STORY: But he normally would not do this on the road. These things are a theorist's dream. They are wonderful in theory, but the driver of a truck knows what it is like pushing out of the metropolitan area at about five o'clock in the afternoon. He also knows what it is like to be waved into one of the numerous weighbridges along the route.

The Hon. Sir Norman Jude: Do you think a union would allow a truck driver to do this clerical work?

The Hon. C. R. STORY: I do not know that it has been faced up to yet, but the truck driver will have to do much clerical work. If he does not get ulcers from driving he certainly will get them working everything out. The trouble with the Minister and his advisers is that they do not operate trucks.

The Hon. A. F. Kneebone: Other members have told me that the transport system of this State is a most efficient organization. The honourable member is now trying to tell me that it is not.

The Hon. C. R. STORY: Let me make it clear to the Minister that I am not saying our transport system is not an efficient organization. I am telling him that he is making it difficult for truck operators to get along. It is only necessary to visit small country areas to discover the inconvenience and the difficulty that has come to many of the smaller operators with three or four trucks when working on

their ton-mile tax, which is only an amateur compared with this proposal.

The Hon. A. F. Kneebone: The honourable member is using a ridiculous argument.

The Hon. C. R. STORY: I am not using a ridiculous argument. I am a bit of a realist in this matter and I know what it means not only to make a crust but to have to keep books. We have had trouble with the Commonwealth tax. Everything must be balanced. If the return is 1s. out an inspector comes around to find out why. Now we have inspectors for the ton-mile tax and if this Bill is passed we shall once again have to keep books and records. What benefit do we derive? Absolutely none! We shall go backwards as a result of it all. If we were doing something really big for the State or the country maybe it would be worthwhile, but we are not.

Let me give an illustration of what has happened in Victoria. Because of Standing Orders I am not permitted to show the picture that I have in front of me, but it is a picture of a 10-storey building and attached to it is the statement:

Victorian Transport Regulation Board is soon to move into new headquarters shown in the above picture, taken especially for the *Times* last week. The 10-storey building will accommodate the 700 employees now on the T.R.B. staff in Melbourne and it is reported that the staff will be considerably increased. In other localities, principally country centres, the T.R.B. has between 100 and 200 other employees whose job is to issue permits under that State's transport regulations. Separate T.R.B. staff and the above building are a separate unit from the Victorian motor transport registration organization. This latter department itself employs between 800 and 900 people, and it was reported to be about to build a similar new office.

The South Australian business would be about half that of Victoria. We shall be operating the ton-mile tax, where the revenue is to go into a highways fund, and we shall be operating this road and railways legislation, where the proceeds will go into another fund. It will not take us long, I believe, to get up to the same high figures. On, say, £20 a week, allowing another £15 a week or so for those in the outside areas, it would not take long to find a total of about £1,250,000 per annum. That is Victoria's experience. We talk about using policemen, but I often wonder what time the policeman will have to do this job after he has carried out the various tasks put on him by various departments. He is there to keep law and order, not to do these other things. If it happens, it will not be long before the Chief Secretary will have a serious complaint

from the Police Commissioner. We will have many more issuing officers in our State as well as inspectors. We could easily get up to 500, and they would have to be housed at the same rate as the Government is paying for the use of hired space at the moment, 35s. a square foot.

All this money will come out of the pockets of the small section of the community I mentioned earlier, but there will be a snowballing effect on the whole community, right down through industry. One ought to have the money organized before starting off on a socialistic plan like this. It is like going to the races. It is no good going there with little money and trying to create a bank. The bank has to be organized beforehand. These socialistic things cannot be done by taxing the goose that lays the golden egg, because before long she will not be able to lay any more eggs and once the head is lopped off that creature the economy starts to drift into real difficulty.

In this State we have been fortunate in that for many years we have been able to keep up production and attract new industries. The moment we start to dry up a sector there is a snowballing effect. I am pleased that this legislation has come forward at this time, because it has given the people of South Australia an opportunity to realize the difference between Liberal and Labor, which they did not understand before. Most of them had never known a Labor Government. They thought it was worth a try, and they gave it a try. However, if they go into the matter carefully they will find that this is only a sample of what is to come.

This is the pattern, not set by the Minister, but pushed on to him and on to this Government by the Trades and Labor Council. The legislation can vitally affect country road passenger services. At present most of the operators hold licences that remain in force until 1968. Those of us who have lived in the bush all our lives know that the country passenger service has always been the link that plays a vital part in the development of the State.

The Hon. C. D. Rowe: They pioneered many services.

The Hon. C. R. STORY: There is no doubt about that. I remember when one local service provided a real service to people by going around to their houses, picking them up in a Packard or Cadillac (not that the people picked up could afford one, but the operator had one), driving them to Adelaide, taking them to a hotel and picking them up for the return

journey. The operators of those services were the pioneers. They started with T-model Fords. That business is still in operation and is providing a remarkable service. Of course, people have motor cars now and are able to get to the depot, so the service does not have to pick them up at their houses. However, over the years these operators have suffered tremendously because of transport control.

I was intrigued by what the Hon. Mr. Banfield said yesterday. One would think that this control was something new in South Australia, but this State has suffered under transport control since 1930. The most famous thing that ever happened in the history of the Playford Government in my opinion was the elimination of transport control. The form in which we had it was hindering people in country areas and hindering the flow of traffic.

The passenger services particularly have put up with much difficulty. Some wonderful people have operated the co-ordinated services throughout the State. On the West Coast, in wet or dry weather, the Birdseye service got through with the mail and the small parcels. It was a service absolutely essential to country people. Although there may be a train service on three days a week, people may be in difficulty waiting for delivery by rail, and the daily road service is allowed to carry a little freight. If this Bill is passed that freight will attract a tax of 5 per cent in relation to earnings from the carriage of general goods and 2½ per cent from newspapers. The Minister ended his remarks by saying:

It is not proposed to make amendments to the legislation to cover these matters.

We are to trust again that they will be allowed to operate their normal services after 1968. We are not sure that we shall not be back to co-ordination, with the service to the Upper Murray co-ordinating at Angaston or Morgan, as was the position previously. The West Coast would probably be co-ordinating at Port Augusta for Ceduna or Port Lincoln. Further, traffic to other parts, such as Meningie and parts of the hills districts, could easily be brought back into this co-ordination. The provision is there and no real undertaking has been given that it will not happen.

I tell the Minister that, whatever else he does, he should not interfere with the road passenger services that function in the country today. I assure him that if he does interfere he will have some shockingly irate housewives on his doorstep. The present service is good and it enables people to travel to their destination and return. They can do a bit of business and

get back to the job in the same day. Under the old system it was a two-day effort. I have probably overlooked some of the things I wanted to say this afternoon, but I would like to refer to one or two things that have been sent to me, quite unsolicited.

The Minister has said that decentralization will be assisted by this particular legislation. He has talked about small country industries, but here we are going to be at variance right from the start if we take as an example the Opposition's idea of a small estate under the Succession Duties Act Amendment Bill and the Government's idea of a small estate. I am wondering who is going to assess what a small country industry is. Is it to be measured by the number of men it employs? Is it to be measured by the amount of goods it turns out or the value of those goods, or how will it be computed?

Every part of the State has some decentralized industry and, contrary to what the Minister and his Government when they were in Opposition used to tell us, that we never made much progress on decentralization, I think the Minister, now that he has had a closer look at the situation, perhaps realizes how many industries are established in the country and the type they are. Here again, the Minister and the department can get into strife when they start to adjudicate upon whether one person should get a hand-out and whether another who is 10 miles down the road should also get a hand-out. An expert has to work out whether one company is more efficient than another, whether the hardship alleged by a company is a genuine one, or whether it arises through sheer inefficiency. One company might be run at a profit because it is efficient, whereas its neighbour, five or 10 miles away, might be running at a loss.

Should we penalize the company that is doing a good job and bolster up the inefficient one which is not doing a good job by giving it one of these little cuts that the Minister is enabled to give to assist this decentralization gimmick? This is a very real problem.

I have come up against this problem when I was Chairman of the Industries Development Committee. I have seen comparable industries a few miles apart, one coming to the Government for assistance and getting it, and the other very hostile indeed that it has to provide all its own capital. When the Minister is looking at this matter of decentralization, I think he will find that some big industries are probably in need of assistance, but he will not have any yardstick to guide

him because there are probably only one or two such industries in the State. He will have to look at industries in other States to assess whether these companies are good or not. I refer particularly now to Riverland Fruit Products Co-operative, which has a lot of Government money in it and which is now just on its own feet. Berri Fruit Juices are also just on their feet. Take these figures that I shall quote as being accurate. I have a telegram that states:

Assuming our road haulage is the same as last year it is estimated the tax under the proposed Roads Bill will cost us £6,000 in addition to the extra cost of road freight on material for cartons and cans manufactured in the Upper Murray. We record a protest in the strongest terms.

The Hon. A. F. Kneebone: What was the date of that?

The Hon. C. R. STORY: I received this on February 1 at 3.55 p.m. I table it. It is from Riverland Fruit Products Co-operative.

The ACTING PRESIDENT (The Hon. Sir Arthur Rymill): Order! I draw the honourable member's attention to the fact that he must not exhibit and say "I received this". The honourable member can read from it as long as he does not exhibit it.

The Hon. C. R. STORY: My eyes are not good, and I sometimes have to lift the paper a little to read it.

The ACTING PRESIDENT: I think the honourable member should bend down a little.

The Hon. A. J. Shard: He ought to have his eyes tested before it is too late.

The Hon. C. R. STORY: I think some people believe I could not bend much lower. I have here another document in the form of a telegram that I will not pick up and exhibit. It states:

Freight rate indicated by Minister of Transport January 21, 1966, which would apply to our company would drastically increase price of finished products to the consumer. We request that you continue to oppose this measure to the maximum possible.

(Signed) Hollingsworth

A. & G. Anson Pty. Ltd.

A. & G. Anson came from Victoria. I do not think it is breaching a trust to say that, as carton manufacturers, they are balanced on a razor's edge financially; they want another year or two to get their position consolidated.

The Hon. A. F. Kneebone: Is this a Victorian firm?

The Hon. C. R. STORY: No, it is a South Australian firm, although it will become a Victorian firm if it gets pushed around much more. This is going to happen in the South-East and in the Upper Murray particularly, and I do

not think that the Government can block the loopholes, as they have attempted to do in other legislation. This company would do work for South Australia in their Victorian factory and pay the 1c a ton-mile.

The Hon. A. F. Kneebone: They would not have a South Australian factory?

The Hon. C. R. STORY: Yes, they would. The point I make is that they have factories in various parts of Australia. They will find a way of doing these things, and the Minister is not assisting decentralization as he says he is under the Bill. He is not accomplishing what he is trying to do, but is driving people over the border.

The Hon. A. F. Kneebone: I have said that these country people will get consideration.

The Hon. C. R. STORY: I suppose one can say this firm is a big country industry. I think the Minister has demonstrated the fact that merely saying that he will consider this is too airy fairy. This Bill has been under consideration for months.

The Hon. A. F. Kneebone: I am saying that consideration will be given to the provisions regarding remission or reduction of rates.

The Hon. C. R. STORY: But it is no use considering these things after the legislation is passed. A bird in the hand is worth two in the bush, and people want to know where they are going. We have never previously passed this airy fairy type of provision. There will be nothing secure about this, as the Minister will have wide and sweeping powers to make or break, and it will depend on the Minister of the day which way these things are interpreted. What is worse, the Minister is a busy man and will be able to carry out only a cursory investigation.

The Hon. A. F. Kneebone: The previous Government granted exemptions from certain legislation to other people.

The Hon. C. R. STORY: And don't we know it! We have seen this happen, and many of us have suffered at the hands of a permanent officer.

The Hon. A. F. Kneebone: I am talking about exemptions from the operation of legislation.

The Hon. C. R. STORY: I will stick to the Bill. It will not assist decentralization one iota, as in the first instance people in the country, and later people in the metropolitan area, will pay much more for commodities, including foodstuffs. Whether the increase will be greater in the country than in the city will depend on which way the traffic moves.

The Hon. S. C. Bevan: How much impact do you think $\frac{1}{2}$ c a ton-mile will have?

The Hon. C. R. STORY: It will have a great effect if taken over 12 months. I was interested in the example given by the Minister in his second reading explanation. When referring to the rates here and in other parts of the Commonwealth, he said:

As formerly announced, the aim of the Bill is to improve railway revenue. The railways carry commodities of vital concern to the primary producer at rates far less than those applying in other States. To be able to maintain these low rates it is essential that the railways obtain a better share of the more profitable traffic. I have prepared two tables comparing this State's charges for the transport of wheat and manures by rail with the charges applying in other States.

The Hon. A. F. Kneebone: This is to assist primary industry.

The Hon. C. R. STORY: The Government is not doing a thing to assist primary industry. Is the object of this legislation to load up these things and make them cost more?

The Hon. A. F. Kneebone: No. As I said in the second reading explanation, the railways should be able to cart some of the commodities that will bring in a return. These are now carted by road transport operators, who will not carry the things we cart at lower rates.

The Hon. C. R. STORY: I have read the list showing the goods the Minister wants the railways to cart at the higher rate. What is so terribly wrong in being the lowest-paying State? It took years of careful planning to enable us to get into this category. The railways lose about £3,000,000 a year, which is the average over a 10-year period.

The Hon. A. F. Kneebone: It is nearer £4,000,000.

The Hon. C. R. STORY: The Minister said that the investment in the railways was about £60,000,000, although the Hon. Mr. Banfield said it was £70,000,000. This is an asset of the State. We want more and better rolling stock, but why try to get it all in the first year? The Minister has mentioned the capital investment in the State undertaking, but he should remember that the road transport industry in this State has over £70,000,000 invested, it is employing a vast number of people, and it is providing a very useful service. I cannot agree with the Minister's suggestion that these people can pick up some goods when it is inconvenient for the railways to carry them or when there is a strike. They cannot be treated like this. Either they are in this business as an industry or they will go out completely.

The Hon. A. F. Kneebone: They flourish in other States.

The Hon. C. R. STORY: I do not understand how they flourish in other States. However, I do know that primary producers in this State are getting their wheat transported at an average of 36s. 6d. a ton, whereas in Queensland it costs 69s. 6d. and in New South Wales 61s. 8d. There has been transport control in Queensland since 1932 and in New South Wales since 1930. The control was rehased in Queensland in 1945 to make it even more severe. Despite this, in that State, which has all these wonderful things, it costs 69s. 6d. a ton to cart wheat. The Hon. Mr. Banfield said that we did not do the right thing when we had control and that we did not look after the control as we should have. The Minister said there was nothing wrong with the officers who administered it or with the legislation, but that there was something wrong with the administration, which did not screw control down hard enough.

The Hon. A. F. Kneebone: I have not said that.

The Hon. C. R. STORY: Perhaps the honourable member did not say that in so many words, but I think he will agree that that was the general meaning. I think the Minister said the Government knew that this measure was not popular with the people (referring to transport control). He went on to say that nothing could be slanted towards the people who put it into operation and there was not really very much wrong with the system.

The Hon. A. F. Kneebone: I did not say that.

The Hon. C. R. STORY: Forgive me if I am wrong there, but the honourable member said that we, as a Government, did not go about the job very well; and the Hon. Mr. Banfield made some play on it yesterday, that we did not do the right thing when we had control. It is strange that we have been out of it for only a year and yet still have this average of 36s. 6d. a ton mile on wheat, when over the year the figure for the most stringent State of all, Queensland, is 69s. 6d. For Victoria it is 49s. 11d., Western Australia 47s. 5d., and New South Wales 61s. 8d. The same applies with manure. We are on the average with manure—24s. 3d. New South Wales is 41s. 6d., Queensland (probably subsidizing manure, for some particular reason) is 38s. 4d.—cheaper than New South Wales in this case but there is still a wide margin between us and them. I do not think the Minister is really serious about this table. I do not

know why he had these figures printed, unless it was to illustrate the point I have just made, that these States have rigid control, yet have the highest rates.

The Hon. A. F. Kneebone: We have not increased ours.

The Hon. C. R. STORY: No, but the Government is at it.

The Hon. G. J. Gilfillan: This figure would be 36s. to the port; it would not be a ton-mile.

The Hon. C. R. STORY: A ton, if the honourable member likes, but do not get me away from the point in which the Minister is interested. These rates will increase, because the Government wants to increase them. The Government has to get more money. The Minister says that he wants to get some of the lucrative freight for the railways so that he can maintain the figures at a low rate.

The Hon. A. F. Kneebone: That is right.

The Hon. C. R. STORY: That is not consistent with some of the other things done in the Bill. I do not believe we shall lower those figures. We did it to encourage people to stay in the country, and the people did protest.

The Hon. A. F. Kneebone: The rates are below the by-law rates.

The PRESIDENT: Honourable members will get on much better if they do not keep on interjecting.

The Hon. C. R. STORY: Does it matter much if they are below the by-law rates?

The Hon. S. C. Bevan: How long can the State go on if the ordinary ratepayer does not pay?

The PRESIDENT: Order!

The Hon. C. R. STORY: Of course, I expect the ordinary ratepayer to pay, but I am complaining that the Government is selecting a handful of people to meet the whole of the deficit that has accumulated over 100-odd years. It wants that group of people to pay to reduce the deficit.

The Hon. A. F. Kneebone: The people who are objecting soon sing out when we talk about closing a railway.

The Hon. C. R. STORY: Certain lines have been closed. The procedure for closing a railway line is clear-cut. The Railways Commissioner recommends and the Public Works Committee takes evidence from the Commissioner, the landholders and the people concerned. The Sedan to Mount Pleasant line was closed.

The Hon. A. F. Kneebone: And all the people in the district kicked up a fuss.

The Hon. C. R. STORY: They kicked up a fuss but if we had worried about people kicking up a fuss we should never have done anything. People are always kicking up a fuss. The people kicked up a tremendous fuss a few months before the change of Government when the last Government brought in the ton-mile tax but it went on with it. And, what is more, the Ministers of that Government went out to every point and discussed the matter at public meetings. The reason why there was no great protest in this place in the form of petitions was that Ministers and members went out properly briefed to address meetings and did not shirk their responsibilities. They tried to impress on people the necessity for doing it; that they had a good reason for wanting to impose the tax; and, what is more, they backed it with a Bill that was fully in print in advance so that the people knew exactly what it was all about when the protest meetings were held. They were organized protest meetings and I have no doubt that they were organized by the people about whom the Minister has been growling. The Ministers went out and did their job, and I think the people appreciated it.

I am not much in favour of this legislation: in fact, I am not in favour of it enough to encourage it to go any further. The small deficit that we have in one facet of the whole economy ought to be looked after by every taxpayer in the State, and not by a small number of people who are already heavily taxed and making a large contribution to the welfare of the State. Therefore, I oppose the Bill.

The Hon. R. A. GEDDES (Northern): At the turn of the century the horse and coach was the means of distribution of passengers, mails and goods throughout the State until we had the impact of the development and spreading out of the railways system, which caused protest meetings to be held by the then carriers about the harm that the railways were doing to their industry. History has shown us that the transport industry, other than the railways, has prospered and advanced to a marked degree. Today we have the problem of the railways crying out that road transport is providing too much competition for them to bear. I support the argument that the State railways system must be virile and efficient and provide a service to the State and the nation. Instead of co-ordination we should have co-operation as between road and rail. To try to direct the way a section of the people should operate into certain channels is, apart from adminis-

trative difficulties, not desirable, unless an equal degree of service can be given by the railways.

It cannot be denied that the speed and efficiency of road transport from factory to shop, and from farm to market, are here to stay, regardless of the imposition placed on such transport. Therefore, the problem is not merely one of road transport getting a bad kick in the tail but also one of increased costs caused by the restriction of road transport. Despite the Minister's statement last year that he failed to see how this legislation could increase the cost of living in the State, I am positive that the goods will still be going by road regardless of the legislation, and that rising costs will be transmitted to the purchasers. In that way, there must be an increase in the cost of living.

Road transport sold its business to the people but the railways have failed to sell their business to the same degree, because they could not provide the type of service that the public wanted. In view of that we see that the railways need subsidies, but it is considered that one section of the community must provide them. The Minister said in his second reading explanation that it is expected that there will be an extra £1,000,000 increase in revenue for the railways, as well as £200,000 from the issuing of licences and in other ways. However, no information has been given as to what plans are to be put into operation after February 14, the date on which it is considered desirable to give effect to this legislation, because decimal currency then becomes operative.

How can the railways assimilate an extra £1,000,000 worth of traffic in one year with the existing rolling stock? Revenue would have to be increased or more trade directed to the railways at the rate of some £2,737 a day. The Hon. Mr. Banfield said he considered no additional diesel locomotives could be purchased for the State. I do not know why he said that. My information is that about 151 steam locomotives are still operating in our railways system and that there are 97 diesel-electric locomotives. Surely some of the 151 steam locomotives must be getting to the stage where they can be replaced by diesel-electric locomotives, particularly as the diesel locomotives now available have more efficient engines than could be obtained four or five years ago.

I can tell the Minister of problems in the railway yards of the State. Groceries have been bulk loaded in Adelaide at the wholesale

depots, taken to Mile End, and sent by rail transport to their destinations, on the understanding that they would be unloaded by Monday afternoon because the grocer needed to have them available on that day. The consignments consisted of five tons in self-contained boxes but the man in the marshalling yard told the grocer that he could not get the goods to him because the yards were full.

These are facts, things that are occurring now, and there will be chaos if this increase continues. I mention the case of a grocer at Port Augusta who used to have all his groceries railed from Adelaide on our railways system and then on the Commonwealth system. Over five years there was an estimated breakage loss of 10 per cent on his groceries. He claimed against the Commonwealth Railways and the Commonwealth claimed against the State. The position became Gilbertian in that the State would say, "They were not broken when they left us," and the Commonwealth would say, "They were broken when they got to us."

This man suffered an estimated loss of about 10 per cent because of the problems of rail transport and the added problem of broken gauge. This is a large percentage loss. He bought a truck and is able to deliver his goods to Port Augusta without breakages and is able to give the people a price reduction, as he claims, because of the efficiency of road transport.

I understand that when the Road Maintenance (Contribution Act) was passed in 1963 it was estimated that the revenue received would be about £250,000 a year. I understand now that the revenue this year will be about £1,000,000, and that about 33 per cent of it has come from interstate traffic. The balance of about 67 per cent has come from intrastate traffic, which is contributing this money to the Highways Department. If 67 per cent of the State contributes this money today, and if we add charges under this Bill to an amount of £200,000, this figure is the work of a super-optimist. We have had many debates in this place on how wealthy country people are. The view held by some honourable members that country people have their pockets lined with gold continues to worry me, because the country has the same degrees of poverty and wealth as the city has, except that the number of higher income people in the city is greater than in the country. We have a lot of pensioners in the country who do not enjoy the privileges that city

people enjoy. Few old pensioners in the country have the privileges of bus services and few of them have a chemist shop, a doctor or a hospital close handy. It is a fact that the cost of living in the country is slightly higher than in the city. That cannot be denied.

The Hon. A. J. Shard: That is open to question. It has been argued in the Industrial Court that it is lower.

The Hon. R. A. GEDDES: Added costs through this Bill will increase the problems of country people. Turning to the Bill itself, I believe, like the Hon. Mr. Story and the Hon. Sir Norman Jude, that Ministerial control is similar to giving the Minister a blank cheque to hold road transport to ransom, should he so desire to control transport like a marionette on a string, or like a puppet, pulling one string or the other to suit the whims or fancies of the moment. When I say the Minister, I do not direct my remarks to the present Minister. If we have Ministerial control, and control by regulation, it could well be that the temptation or the desire or the political wish would be there to make changes to suit the whims of the day.

Giving complete exemption to a 25-mile circle from the Adelaide G.P.O. is to me one of the worst principles in the Bill. It seems unfair that people who live within the 25-mile area and who use road transport should be exempt, with the exception of certain bulk commodities of which the Minister has not yet informed us. Those people will be living in a vacuum. Those who live outside the 25-mile circle have the problem of trying to make a living, to provide a service, yet they are forced to pay additional charges. However, they are not guilty in the first instance of creating the deficit in the railway system. If this 25-mile circle were taken from the Bill I would be less opposed to it. That is the first stumbling block; other stumbling blocks come later.

The 8-ton exemption for primary producers, apart from the problems mentioned by the Hon. Mr. Story in relation to the interpretation of the Act, is a reasonably generous offer, but there is always the person who **wants** a little more. My request is that consideration for exemption be given to the station owner who owns a truck of over 8-tons that he uses on his property, and occasionally to bring wood down, or to come into the controlled areas.

The definition of "operate" will create much hard feeling. We have some remarkably efficient bus operators within the State. We

have a co-ordinated rail and road passenger service between Adelaide and Whyalla. A single ticket from Adelaide to Whyalla costs £3 3s. 6d. We have Birdseye's bus service from Adelaide to Port Lincoln, about 200 miles farther from Adelaide than is Whyalla. A ticket by this service from Adelaide to Port Lincoln costs £3 5s., or for 1s. 6d. more one can travel by private enterprise from Adelaide to Port Lincoln.

The Hon. A. F. Kneebone: The Hon. Mr. Story was advocating that the passenger fares be increased.

The Hon. R. A. GEDDES: One of the privileges in this place is to make our own speeches, which gives honourable members the right to interject. I am not the father of Mr. Story's invention. I cannot remember him saying it. My argument is not whether there should be an increase or a decrease in fares; it is that with private enterprise there is efficiency and the giving of a service. By giving that service they promote trade and are able to produce an article—in this case a ticket—at a realistic price, one that the average person can afford.

I have referred to the Eyre Peninsula bus service, but we have bus services still pioneering many routes within the State. We have one to Renmark and to many other areas. I sincerely hope, in view of all the problems that face bus operators (including wage increases and the fantastic capital investment that is necessary), that the assurance given by the Minister in relation to exempting certain classes of vehicle will be applied to them. The Minister has not said how the truck operator will be able to perform the tasks required of him, but as this has been debated I will not labour the matter. It was said that as truck drivers would have waybills they would be able to tell an inspector what they had on board, but I doubt whether an engine driver would know what was on his train.

The Hon. A. F. Kneebone: But the guard would.

The Hon. R. A. GEDDES: Yes, but there has to be a man specially on the train for that purpose.

The Hon. A. F. Kneebone: But the driver does both jobs on the road.

The Hon. R. A. GEDDES: If we followed up that line of reasoning we might conclude that perhaps there should be another man on a truck so that he would know what was on board.

The Hon. A. F. Kneebone: That is ridiculous.

The Hon. R. A. GEDDES: Of course it is.

The Hon. A. F. Kneebone: You do not say much for the efficiency of road operators when you say that sort of thing.

The Hon. R. A. GEDDES: The Minister thinks that the administration of this legislation will be easy for the operators, but I do not think it will. I think much extra book work will have to be done at the office at each end of the journey and by the truck driver, and this will increase costs.

The Hon. R. C. DeGaris: Do you think it will be more complicated than the one-third of a penny a ton-mile tax?

The Hon. R. A. GEDDES: I think it will be much more complicated. A bus driver going to Eyre Peninsula will perhaps carry Her Majesty's mails, which are exempted, the *Advertiser*, which is carried at one rate, and agricultural machinery spare parts, which are carried at another rate. The driver would know only that the parcel came from, say, Massey-Ferguson (Australia) Ltd. and not know that they were spare parts.

The Hon. R. C. DeGaris: There may be exempt and non-exempt goods in the one parcel.

The Hon. R. A. GEDDES: Yes. When a farmer wants a spare part quickly he asks for it to be sent on the first bus, and this is not an isolated case. It is interesting to see that although chaff will incur a charge of 1c a ton-mile hay can be brought to the city at ½c a ton-mile. I have often seen mixed loads of chaff and hay coming to the city along the Main North Road. Chaff is carried in bags, and I presume these bags will have to be weighed on to the truck by either the person selling or the person loading. The hay will also have to be weighed, or will someone make a guess at it and say that it weighs so many hundredweights and the chaff weighs so many hundredweights?

The Hon. C. R. Story: It is hard to judge the number of sheaves of hay to the ton.

The Hon. R. A. GEDDES: It is. The charge on honey will be 1c a ton-mile. Beekeepers take their equipment where the bees are and dress their honey on the spot. Some of them drive trucks of over eight tons to places to the North and extract honey from the hives and put it into tins. They then move back to their central depots. Other operators who go to the Adelaide Hills, which is within the 25-mile circle, then move out further. This is another matter that should be considered.

The Hon. A. F. Kneebone: They have to compete with the railways to become liable.

The Hon. R. A. GEDDES: On prefabricated buildings 1c a ton-mile will have to be paid. Most of these buildings, which are advertised in many papers, are 12ft. wide, and that is wider than the load a train can carry. As a result, a person who wants to take such a building outside the 25-mile radius is forced to use road transport.

The Hon. A. F. Kneebone: If these buildings cannot be carried on the railways no tax will be payable, as there is no competition with the railways.

The Hon. R. A. GEDDES: I thank the Minister for that statement. The trade in Adelaide has asked me about this matter, and that is why I have raised it. A building contractor, whether in the suburbs or outside the 25-mile radius, almost demands that the goods he needs be delivered at the site. They comprise the cement, wood, bricks—the whole box and dice. If, in order to abide by the Minister's wish that extra revenue should go to the Railways Department, all these goods should go to the rail point nearest to where the builder is operating, he himself then has to organize the transport from the railhead to the building site. There is also the problem of breakages, which has been a problem for many years. I understand they have cost the Railways Department a lot of money.

The Hon. A. F. Kneebone: They happen on the roads, too. Trucks turn over with loads on them.

The Hon. R. A. GEDDES: I do not deny there are breakages there. The costs will be greater for the builder because of these breakages and the added labour needed to move the goods from the railway siding to the building site. This increase will then be reflected in the cost of the building. I admit that many people have been spoiled because of the excellence of road transport, its flexibility and the fact that it can pick up at point A and deliver to point B exactly where a load is required. The railways cannot compete with that. This is occurring not only in Australia but also in the United States of America, where the railways are trying to cope with similar problems, but in a different way.

There is the problem of the bulk carriage of other commodities, excluding wheat or superphosphate for the moment. I notice that in the second reading explanation the Minister pointed out that it would be possible to travel from Mount Gambier to Ceduna keeping outside the 25-mile radius from Adelaide, so long as an operator had a licence, without having to

pay any excess. I ask the Minister: what would happen with cement from Angaston being delivered to Whyalla by road transport? Would a ton-mile charge be imposed or would the cement be allowed to go by road because of the flexibility of road transport and because of the problem of rail break of gauge and the manhandling needed in that case? I was interested to hear the question by the Hon. Mr. Bevan, by interjection, when he asked the Hon. Mr. Story what the 2c charge would amount to. A journey of 100 miles at 2c a ton-mile would cost £1 0s. 3d. for the journey, or 2 dollars 2 cents.

The Hon. S. C. Bevan: You are taking everything at 2c, which is incorrect.

The Hon. R. A. GEDDES: The question asked was at 2c.

The Hon. S. C. Bevan: No, it was not.

The PRESIDENT: Order!

The Hon. R. A. GEDDES: I cannot see how the industries of this State, with the complex nature of these proposals, can assimilate the increased charges; they must be passed on. I said earlier, and say again, that I find it hard to visualize how the transport industry will efficiently administer the problems created by this Bill without incurring further charges. History has shown us time and time again and given us countless examples that, where there is lack of competition, there is a tendency for prices to rise. If competition is denied under this Bill, I feel there will be no alternative but for a price rise in our railways system; and there will also be a greater difficulty in the railways maintaining their present efficiency. Without competition incentive dies. In its present form I cannot support this Bill.

In conclusion, I congratulate the Hon. Mr. Hill on his maiden speech yesterday. For my humble part, I welcome him to this Council and wish him well here.

The Hon. H. K. KEMP (Southern): I do not wish to cover ground already covered; I think the Hon. Mr. Geddes has sufficiently underlined the point that the Hon. Mr. Story made about the difficulty of collecting this tax. Far too much underlining has been done of the point that this tax will be collected from the country people. This is not so. This Bill will profoundly affect freight charges as a whole, and we cannot possibly separate in the whole system of freight costs the railway from the road: the whole lot comes together as a charge that has to be met by the community.

This needs to be looked at closely. There has been a complete misrepresentation, both

on our side and on the other side of the Council, about the true position of the railways. If we refer to the financial records of this State, presented in the report of the Auditor-General, we find a figure of about £69,000,000 given as the money being used in the operation of the Railways Department. This has been taken as a capital cost. Actually, it is not that at all; it is nothing like a capital charge, as understood in normal business circles. I do not think it is necessary to go into great detail to show that this is so.

I believe there is in South Australia about 2,500 running miles of railway track. The cost of building one mile of track from Edwardstown to Tonsley Park was £223,000. What is the capital value of the land and the track over a distance of 2,500 running miles? And that does not include the double track or the doubling of lines in marshalling yards and railway stations. To put it in terms that many honourable members here can understand, there is 5,000 miles of stockproof fence involved in the railways, which has been built at a great cost because most of it is of high quality. That figure alone is a considerable item. We have not started talking about the trains and the rolling stock. There are over 1,400 residences of fairly low standard, although many are quite good. At the cheapest possible price at today's values, they total close on £60,000,000. We have the huge works at Islington and Mile End and the Adelaide Railway Station, and so the figure of £69,000,000 is completely artificial. Here we are considering a public utility to which ordinary ideals do not pertain. This amount represents the accumulated unpaid costs from the days when the South Australian Railways commenced on the first line, which I think was from Adelaide to Port Adelaide. About £4,000,000 a year is being paid from general revenue to the railways and much of that goes to pay the interest charges on the £69,000,000. However, there is something more important going on and that has not been appreciated by the general public or, possibly, by the members of this Council.

The railway commenced operations many years ago, as the Hon. Sir Norman Jude said, when there were no usable roads beyond a short distance from Adelaide. That system was devised to meet the needs of the community at the time each section was built, and I instance the tracks out to the West Coast farming lands. They were completely adequate at the time they were laid and they have been modernized and kept in good condition as the years have gone

by. Continual improvement is going on. The accusation has been made by the Hon. Mr. Banfield that we on this side of the Council do not appreciate the railways, but I think it can be said that the Playford Government deeply appreciated the railways and was taking every opportunity to keep the system up to date, expending what it could on the railways. The limitation on further modernizing the railways was merely the non-availability of labour. I am sure that that is so.

For years we have been hearing the statement, "We cannot go any faster on the improvement of services, because the labour is not available." I should like to refer to the records, because what is going on is best illustrated by the figures from the Auditor-General's Report. In 1960-61, the freight tonnage to Serviceton was 213,000. In 1964-65, it was about 380,000. The freight consigned to the Commonwealth Railways north of our system in 1960-61 was 119,000 tons and in 1964-65 it was 195,000. That represents a growth of about 33½ per cent in four years and betokens a healthy state of affairs in our railways.

Much of the money spent on the railways in years past has been going to the improvement of the profitable services as quickly as practicable. It is not a matter of anything but the lack of manpower that has limited the modernizing of our railways. Good work has been done by the staff and that work has not been adequately acknowledged. I am sure that any member who goes into railway stations on the line to Serviceton and sees some of the improvements made in the services will be astonished.

A short time ago I went into Balhannah railway station and found that, instead of the complex system of levers and switch gear that used to occupy the cabin, levers that pulled chains that extended for about a quarter of a mile, there is today a neat console about 18in. long and about 3ft. high, fitted with a system of switches and lights that gives automatic control. The transformation is amazing. That is going on right along those service lines and I do not think there is any doubt that we should pay a compliment to those engaged in the railways when we remember that they took an enormous increase in costs last year and yet finished the year with a comparatively small deficit, having regard to the large amounts of money involved in the operation.

There is not much wrong with the railway system in South Australia. It is far more efficiently and cheaply operated than any other

system in Australia. Yet, it is operating in free competition with road transport and, as the figures show, it is taking away from road transport all the traffic that it can handle. The railway system just cannot handle any more freight than it is handling at present. There is no possibility of getting any more tonnage through between Adelaide and Serviceton until extra line space has been provided at Taillem Bend and extra loop space for crossovers. Many railways of the world are paying well today but they are railways that have exploited the traffic that they can profitably exploit, and they have let the rest go. This is healthy business and the railways are providing a tremendous service. The fact that South Australian railway freights are lower than the rates elsewhere in Australia—

The Hon. A. F. Kneebone: You are not saying that we should take interstate transport only, and forget everything else, are you?

The Hon. H. K. KEMP: I am saying that the railways in the past have tried to exploit to the utmost the traffic which is most profitable. The railways have been constrained in chasing unprofitable traffic and, in doing so, have been run as a public utility that has cost the State little indeed. The £4,000,000, which the railways have supposedly lost, is actually the cost of converting an essentially archaic system that was built over many years to a modern system. This loss should be truly added to the capital charge. Although I do not claim to be an expert on rail transport, within the last week or two I have been trying to find out as much as I could about the position overseas. It is exactly the same as in Australia. The railways become profitable when they follow the profitable traffic, but if they attempt to cater for all traffic they run into trouble. We have heard the Hon. Mr. Geddes go into detail about the damage that inevitably occurs when common freight is handled in bulk, as the railways try to do. Modern freight handling methods fit into a completely different context from the context in which our railways grew up. We have to realize that there must be profound changes in method and equipment if the railways are to remain an efficient organization in our community.

If I and my neighbours wish to put superphosphate on our properties, we can telephone a carrier and Robby's Aerial Service Pty. Ltd. A load of bulk superphosphate, untouched by hand, is delivered to a corner of a paddock, loaded into the aircraft and spread on the hills and the dales. It is apparently an expensive thing to do, but the labour component in our

agricultural and industrial costs in Australia is far and away the greatest component. The fact that we do not have to touch the material by hand, that we can use the large trucks and not large aircraft to do the work, often brings us into competition with road carriers, so each year sees an increase in the superphosphate being spread in bulk. It runs into thousands of tons.

Bulk handling of superphosphate over long distances is being handled profitably by the railways, but when it comes to shorter distances the railways have not the means to handle it. There are two things I must acknowledge and not criticize in connection with the railways—the railways staff and the people who have been responsible for the transformation of the railways over the last few years. We do not now have the impression that in South Australia we have an archaic railway system that will not meet road competition. In areas where the railways have been allowed to compete with road transport, the railways are taking traffic from the roads, but if everything is forced on to the railways, which is the purpose of the Bill, and which is said to mean another £1,000,000 in revenue for the railways, it is certain that the parts of the railways already overloaded will not be able to stand the strain. What will happen? It will mean increased costs and greater inconvenience.

Because most of us have an agricultural background, we have overstressed the effect that this Bill will have on the agricultural community. Earlier I said that freight costs are a major component in all community costs. We are very conscious of this in the country, where we get it both ways, and I do not think the average city dweller realizes this. If we buy something in the country the cost is the same as in Adelaide, but the freight charge is added. Whenever we sell anything in Adelaide the price is so much, less the freight. It is the man in Adelaide who consumes our oranges, our apples, our lamb chops, and the man overseas who wears the suit made from the wool we export who pays. This freight cost becomes a component in the cost of all goods and it does not matter whether they are primary or manufactured goods. It does not matter whether they are consumer goods or whether they are raw materials. The freight cost is a community cost, and any cost added to our South Australian price structure is detrimental to the State.

We in South Australia are at a grave disadvantage in competing with people who are

closer to the major markets of Australia but the reason why so many manufacturers have come to this State has been that the Government for many years has watched these minor costs and kept them at a minimum. As a result our rapid growth in secondary industries has been so spectacular as to be considered unique in the world. In touching these basic costs, we are touching very deeply the costs that enable us to compete in the Eastern States.

Much has been said about the railways system in New South Wales being very good and well protected, and that the railway system in Queensland is highly protected, but it has been admitted that the cost of using those systems is very much higher than in this State. An agricultural authority of world standing, who is completely away from politics and who is not interested in this Bill, told me that the flocks and herds in the drought areas of New South Wales and Queensland were saved only because freighters were available from South Australia and Victoria, as Queensland and New South Wales had insufficient resources to assist. Road transport vehicles went from South Australia to southern and mid-Queensland and carried away animals from the areas affected by the disastrous drought. There were large numbers, and they even went as far away as Western Australia. There was nothing in the beautiful railway system of New South Wales—and it is a beautiful system—that anywhere near coped with the demand. Late last year the following was said in the Queensland Parliament:

In the current drought one of the State's main assets—its sheep—is declining at an alarming rate while in many cases stock could be moved economically by road to feed areas.

Although graziers in Western sheep areas have their backs to the financial wall the burden of road tax has still to be carried in any attempts to fight the drought. This seriously questions the validity of the policy protecting the railway system . . .

It seems from this that even in Queensland a great deal of politics is spoken. Continuing:

There are instances of industries established in the South definitely deciding against expansion into Queensland because of their inability to obtain any road tax rate relief. Protection of the railways has been an important factor in keeping Queensland back and it resolves itself into a question as to which is most important to Queensland's future—new industries far in excess of what we are presently attracting or high road taxation revenue.

I believe that fundamentally these matters have been forgotten in the framing of this Bill. It has been forgotten that it is merely the fear of legislation like this Bill that has led to the rapid and almost complete falling off in the establishment of new industries in this State in the last few months. I am sure that any fair-minded person looking at this Bill can come to no other conclusion than that in preparing it there has been a deeper interest in fashioning a political weapon than in the welfare of the State.

The Hon. Sir LYELL McEWIN secured the adjournment of the debate.

CONSTITUTION ACT AMENDMENT BILL (ELECTORAL).

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

ADJOURNMENT.

At 5.21 p.m. the Council adjourned until Thursday, February 3, at 2.15 p.m.