

LEGISLATIVE COUNCIL

Wednesday, July 22, 1970

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

QUESTIONS**SOUTH-EASTERN DRAINAGE**

The Hon. R. C. DeGARIS: I seek leave to make a brief explanation prior to asking a question of the Minister of Lands.

Leave granted.

The Hon. R. C. DeGARIS: A committee was established comprising, I think, representatives of the Auditor-General's Department, the Treasury and the Lands Department to inquire into and report to the Government upon drainage rates in the South-East of South Australia. The function of the committee was to investigate the impact of the rate, including the capital repayment, with the object of relieving the capital repayment of drainage rates. Is the committee still operating and, if so, when will it make its report?

The Hon. A. F. KNEEBONE: The committee is still operating. An interim report was submitted to the previous Government, on which no action was taken. In my Address in Reply speech, I spoke about the committee still sitting and the fact that any subsequent report I received would be considered in conjunction with the interim report and the recommendation that would go from me to Cabinet in regard to what action, if any, should be taken in South-Eastern drainage financial matters. I had a meeting with the committee recently and a report is now being prepared to be placed on my table. Further consideration will be given to the matter when I have considered the report.

GOVERNMENT PRINTING OFFICE

The Hon. M. B. DAWKINS: Can the Chief Secretary ascertain what progress has been made or what stage has been reached in the construction of the new Government Printing Office at Netley and when it is expected to be operational; also, when it will be possible to demolish the existing building in order to make room for other projects?

The Hon. A. J. SHARD: I am not up-to-date with the exact position but I will contact my colleague the Minister of Works and bring down a reply as soon as possible.

ROAD SURFACING

The Hon. V. G. SPRINGETT: Has the Minister of Lands obtained from the Minister of Roads and Transport a reply to my question of last week about road surfacing?

The Hon. A. F. KNEEBONE: My colleague reports:

The Highways Department is aware of the availability of materials to provide anti-skid road surfacings, but is unable to identify the specific product to which the honourable member referred in his question. The Highways Department has not found it necessary to use such preparations, as adequate anti-skid surfacings can be provided with conventional bituminous carpets. The skidding problem in South Australia is not as critical as in the United Kingdom, where sleet and ice conditions are prevalent on road surfaces.

The Hon. V. G. SPRINGETT: I accept the Minister's point that skidding is not as severe in South Australia as it is in a colder, icier country such as Great Britain. Nevertheless, can the Minister say whether the skid problem in this State can be alleviated by using such substances?

The Hon. A. F. KNEEBONE: I thought I answered that question in my earlier reply. The Minister said that the problem of skidding in South Australia could be overcome by using the method at present used—bituminous carpets. I have driven on some very good non-skid roads in South Australia. If the honourable member wants a further reply from the Minister, I will get it for him if he sees me afterwards.

ADELAIDE HIGH SCHOOLS

The Hon. C. M. HILL: On July 16 I asked whether, as a result of a proposal to amalgamate the Adelaide Girls High School with the Adelaide Boys High School, the Education Department planned to build any buildings on the park lands. Has the Minister of Agriculture obtained a reply to this question from the Minister of Education?

The Hon. T. M. CASEY: My colleague reports:

Preliminary sketch plans for the additional rooms at the co-educational school are being prepared. It is intended that this accommodation will be provided on the site of the present Adelaide Boys High School.

YORKETOWN HIGH SCHOOL

The Hon. M. B. DAWKINS: Has the Minister of Agriculture obtained from the Minister of Education a reply to my recent question about the high school that is planned for Yorketown?

The Hon. T. M. CASEY: My colleague reports:

The plans for Yorketown High School are nearing completion and will soon be available for final approval by officers of the Public Buildings and Education Departments. The plans will then be submitted to the Public Works Standing Committee.

The calling of tenders will depend on the overall finance available for school buildings and the amount of assistance that is provided by the Commonwealth Government as a result of the submissions made by the States in May of this year. Within the limits of our own finance we hope to achieve a commencement date in the latter part of 1971. Additional Commonwealth assistance in this area will enable us to improve this commencement date.

WHEAT QUOTAS

The Hon. R. A. GEDDES: At the farmers' protest meeting held earlier today the Premier said that the Government had set up a committee to investigate wheat quotas. Will the Minister of Agriculture give the names of the members of that committee?

The Hon. T. M. CASEY: I do not think it is necessary at this stage to give the names of the committee members, because the committee has not yet been formed. I, having the task of appointing the committee members, have approached two of them personally, and they have said that they will be happy to serve on the committee. Because I have not yet approached the third person to serve on the committee, I do not think it is in the best interests of the industry to release the names of the committee members until all of the men involved have finally consented to serve on the committee.

SPRAY MATERIALS

The Hon. C. R. STORY: Can the Minister of Agriculture say whether his department has received a request from the Upper Murray, particularly, with regard to the testing of spray materials, notably oils? If the industry concerned has asked what facilities exist, will the Minister have a look at the situation and, if he is not satisfied with the facilities that exist, institute some better system?

The Hon. T. M. CASEY: I will ascertain from the department what the existing conditions are and whether they can be improved.

BENLATE

The Hon. C. R. STORY: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. C. R. STORY: Recently, a report has emanated from Dr. Moller, who for some

time was employed by the Agriculture Department and who did extensive research into the problem of gummosis in this State. Dr. Moller is now employed by the Davis University in California. One of his recommendations is that the preparation Benlate be used. I believe that up to the present the use of this material for edible fruits has not been allowed in South Australia. Can the Minister ascertain the present situation and, if Benlate is still not available, will he take action to try to get the Commonwealth Government to have it released?

The Hon. T. M. CASEY: I will take the matter up with the department.

FIRE BRIGADES COMMITTEE

The Hon. R. C. DeGARIS: Recently I asked a question of the Chief Secretary regarding the financing of fire brigades in South Australia. Has he a reply?

The Hon. A. J. SHARD: The previous Government approved the appointment of a committee to inquire into local government contributions to the Fire Brigades Board, with the following terms of reference:

To inquire into whether the amount paid by local government authorities towards the expenditure of the Fire Brigades Board is being equitably shared among such local government authorities.

The committee was to comprise the following representatives:

- (1) Fire Brigades Board (to be Chairman).
- (2) Auditor-General's Department.
- (3) Local Government Association of South Australia.

The two local government bodies most concerned with the proportion of their contributions to the Fire Brigades Board are the Corporation of the City of Port Adelaide and the City of Port Pirie. Subsequently, the Corporation of the City of Port Adelaide drew this Government's attention to the fact that it is not a member of the Local Government Association and asked whether it could be given direct representation on the committee. I understand that this same request came from Port Pirie by way of a question in the other House. The request is at present being considered, and consequently the committee has not met to date. It is the Government's intention that an inquiry be conducted into local government contributions to the Fire Brigades Board.

PRAWNING LICENCES

The Hon. C. R. STORY: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. C. R. STORY: On July 16, when he replied to a question I asked concerning prawning licences, the Minister of Agriculture said that the Director of Fisheries would be travelling to Port Lincoln on the following day to discuss with the prawn fishermen over there, as I understood it, the question of licences. I asked the Minister whether the 12 licences recommended earlier had actually been issued. Has the Minister any further information on this matter?

The Hon. T. M. CASEY: Yes. The present situation is that the Director visited Port Lincoln on July 17 and put a proposition to the fishermen there regarding the issuing of new licences and the way in which they would be issued. The Director has told me that the fishermen were quite happy with what he recommended to them. All that is awaited now is that a few more details must be worked out, basically to do with the conservation of prawns in general; as soon as this has been done, there is no reason why these new licences should not be issued.

The Hon. C. R. STORY: Can the Minister give me details of the Director's recommendation to the fishermen regarding the method to be used in allocating these new licences?

The Hon. T. M. CASEY: I could obtain a report from the Director, but I think I can give the reply off the cuff. A ballot will be conducted and the names will be placed in a hat or a container and drawn out according to the number of licences for a particular zone. Regarding the names that have been in a certain zone, if they are not drawn out they will go into the next zone until the matter is finally decided. I think that is the procedure that was put to the fishermen, who said it was quite fair and equitable as far as they were concerned.

The Hon. R. A. GEDDES: I seek leave to make a short statement prior to asking a question of the Minister of Agriculture.

Leave granted.

The Hon. R. A. GEDDES: Regarding selection by ballot or taking names out of a hat, will this mean that prawn fishermen who previously had a licence might be denied a licence in the future as a result of this method of selection?

The Hon. T. M. CASEY: No. Those people who have a licence are not affected at all.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from July 21. Page 118.)

The Hon. H. K. KEMP (Southern): In speaking in support of the Address in Reply I wish to associate myself with previous speakers in congratulating His Excellency the Governor's Deputy (Sir Mellis Napier), a great South Australian who has once more demonstrated his fine qualities of service to the State. It is pleasing to note that His Excellency the Governor, although unable to open Parliament, is at present able to accept some engagements, and I am sure that all honourable members wish him a smooth road to recovery.

I join with previous speakers in paying tribute and recognition to two members who have died since the last Address in Reply: Sir Robert Nicholls and Mr. Colin Dunnage, distinguished Parliamentarians, who served this State for long periods, and very ably indeed. I make particular mention of the retirement of the Hon. Stanley Bevan. It is regretted that the long service he gave to this State has now come to a close. His dedication earned the respect of all honourable members and his kindness and undoubted ability were highly appreciated.

Although I congratulate His Excellency the Governor's Deputy on his Opening Speech, I just cannot congratulate the Government on the Speech's content. Representing a rural district, naturally the first thing for me to turn to in the Opening Speech was the agricultural items, but in 6½ pages of crowded propositions I found that the whole of the proposed agricultural legislation was dismissed in four complete lines and four half-lines. Towards the end, in paragraph 45, there is the thinly disguised threat to aggregate successions and impose estate duties and, from our knowledge of what has gone on in the past, the ideas of the Labor Party as regards what is an economic unit in agriculture present a very gloomy prospect indeed.

The Hon. T. M. Casey: What is an economic unit?

The Hon. H. K. KEMP: It is one of those things on which both sides of the Council always disagree but I think it is appreciated in nearly every sector of agriculture today that anything below \$150,000 to \$200,000 on present values is getting close to sub-economic.

It means that the plight in which the farmer finds himself today has just not got through to the Government, as is evident from

the Speech. There is a complete breakdown in communication between the city and the country, and there has been for a very long time, for undoubtedly in the rural industries of Australia today we face factors that will lead us into a depression compared with which the depression of the 1930's is of minor significance.

After all, the depression of the 1930's arose from a temporary, though serious, awkwardness in only the financial systems of the world. The facts that we face today are completely different. They are industrial themes in which there is a snowballing effect both on the agricultural side and on the industrial side, and world population change which, taken together, give us a peak of trouble looming in front of agriculture as a terrible threat.

Looking at what has gone on in past years, I really cannot say that we can blame the Labor Party for this at all. We cannot blame it any more than we can blame city dwellers as a whole. In fact, it was stated only two weeks ago by one of the agricultural commentators, probably the foremost in Australia, that he had been astonished at the statements made by industrial leaders in agriculture, people who should be advising farmers, he was amazed at the way in which they had glossed over the difficulties confronting agriculture. He even went so far as to say that in many cases information which was misleading, or verging on the misleading, was being presented to the agricultural industries and the farmer was not being given a chance; that even the farmer who was in trouble was not being given a chance to assess the true position before him.

We must take this as fair criticism that cuts very close to the bone. I think, however, that this position has arisen conscientiously. There has been a tendency on the part of agricultural leaders to gloss over the situation through the need not to rock the boat until a solution is in sight. This means that, as far as the person who is not directly involved in agriculture is concerned, completely misleading information has been put before him continually. The press has joined in this conspiracy.

Only last week in the headlines on page 3 of the *Advertiser* there was a statement on wheat sales by the Chairman of the Australian Wheat Board, Dr. Callaghan, about record wheat sales made overseas. The immediate impression that anybody not aware of the situation would get was, "Well, we are hearing all about the quotas and the difficulties of

the wheat farmer, but we are having record wheat sales overseas, so it cannot be so bad after all." That has been said repeatedly. The position is that there has been a concealment of the true position of the rural industries.

This morning, just outside this building, 3,100 farmers who are now in desperate straits were marching through the streets of Adelaide. Only since that headline on Friday last we have seen an attempt to put before the public some of the difficulties that have led to the march that we saw today.

In the Southern District there are two areas that I have repeatedly put before the Council in which the community is suffering severe distress. One of these is in the north-western sector of the Murray Mallee, where the position is particularly grim because they have a wheat quota based on the five years, two and a half of which were years of failure or near-failure.

Practically every farmer in that area has now two, or very nearly two, crop quotas in storage with the prospect of payment for one crop only. Again this year those farmers are faced with complete or near-complete crop failure because, no matter how it rains from now on, there can be very little improvement in the position. The rain is too late for a good harvest. In this area it is not uncommon for cases to be put before us, as representatives, almost every day.

A short time ago there was the case of one man who had his farm completely free from any debt burden; that was five years ago. In the intervening years he has had to go to the banks for assistance to carry him through those 2½ drought years.

That man now, with the wheat quota he has, has no chance of paying off the indebtedness incurred over such a short period. This is not an isolated instance.

The Hon. T. M. Casey: Can the banks help him?

The Hon. H. K. KEMP: They have helped him as far as possible but they cannot possibly advance money to a man who has no prospect of paying it back. This man, with his reduced quota, has no chance of carrying any further financial burden.

The Hon. T. M. Casey: Did they reduce his interest rate on the money owing?

The Hon. H. K. KEMP: But can the banks do this? That is the question we must ask. The banking system is sound, and it has been built up over the years. If the bank is to

do that sort of thing, it must be provided with money at rates that will not bankrupt it.

It is all very well to say what the banks must do, but we must be sure that our banking system is sound. This is not an isolated instance: dozens and dozens of farmers are in this sort of position today. Because the Minister of Agriculture is the only person who has access to the information, I ask him to look at the evidence being presented to the quota appeals committee. He will then see that hundreds and hundreds of appeals have been lodged.

The Hon. T. M. Casey: Thousands.

The Hon. H. K. KEMP: These appeals are lodged not because of unfairness but because the appellants do not have a hope of carrying on farming unless their earnings increase. This is a tragic position, but it really exists and it is only now that we are beginning to get this message home to city dwellers and to the Labor Party.

I do not blame the Minister for the fact that in His Excellency's Speech there were only about four and half lines relating to agricultural legislation, but the Government has not mentioned that farmers are in trouble, because that trouble has been hidden from it.

The Hon. T. M. Casey: I assure you that that is not the case.

The Hon. H. K. KEMP: The information is available to the Government in its own files, from which it can see that the 4,000 farmers who marched today were not talking through their hats: they are seeking assistance that is sorely needed. Many farmers in all types of agriculture who are carrying a not abnormal load of debt will be out of farming in a very few years. What is the answer?

The Hon. T. M. Casey: We will get more wheat for them.

The Hon. H. K. KEMP: That is impossible. I will come to that in a moment. I would like to refer to what is happening in another part of the State. The high rainfall districts, because of the nature of activity in those areas, are necessarily tied to sheep and wool production. A typical district in the Lower South-East is Millicent North. There is great trouble in this area, where farmers' equity in their farms is now so small that if they sold their farms—I stress "if"—they would be unable to buy a reasonable house in town. This is the truth: I am not exaggerating.

A few days ago the Leader of the Opposition mentioned to me the case of a man on a

farm with a capital value of \$150,000; this farmer if he could sell out would leave with less than \$30,000! Many other farmers are in a similar plight. No sales of properties are being made because no-one wants to buy the farms. Many farmers would be willing to sell their farms immediately if they could find buyers, and they would be doing the right thing by their families if they did. If they sold their farms they would cease eating into their reserves, but they are completely caught in a cleft from which there is no escape.

At a growers' meeting that I attended at Greenways, which was addressed by the Minister of Lands, it was explained that the drainage rates would inevitably increase in the years ahead. A spokesman said, "Mr. Minister, you know that, no matter what these rates are, we cannot pay them", and the Minister had to say, "Yes, I know." That meeting was held nearly one and a half years ago, and in the meantime these people have gone further into debt. They have been reading the stuff published each day in the press about a booming economy and record wheat sales. Is it any wonder that they are beginning to feel angry?

It is all very well to say these things, but it is important to realize just why these problems have arisen. To make this clear I wish to refer to the following statement by the chairman of the Food and Agricultural Organization at the termination of its meeting held only three weeks ago at its headquarters in Holland:

Unless the Green Revolution is carefully managed, said the Netherlands representative Addeke H. Boerma, Director-General of the United Nations Food and Agriculture Organization, the result may be "a conflagration of violence that would sweep through millions of lives".

Although I read agricultural news avidly, the statement published in today's newspaper is the first mention I have ever seen in the local press of the green revolution. The newspaper article, although superficial and hastily prepared, is nevertheless true. What is this green revolution? It arose from the appointment of four men to carry out a task in Mexico in 1944, when Mexican subsistence farmers were barely earning a living from their farms. One problem examined was the suitability of the wheat strains.

The four men tried to improve the strains, and they came up with an early soft short-strawed wheat that in normal circumstances and without assistance would roughly double

the yield that had previously been obtained. Under good farming conditions and with the extra money that the increased harvests would bring in spent on the use of fertilizers, greatly increased yields were possible, yields that were to have tremendously important effects across the world.

To make full use of these wheats a systematic move was made to distribute them quickly. The Ford and Rockefeller Foundations found the money, and the wheat was quickly sent from Mexico to Pakistan, India, Peru—all the countries in which famine was occurring periodically. They have been working away very quietly in the intervening years until in the last few years they have met the second leg of the green revolution. This arose from the appointment of a similar small group of scientists to the International Rice Institute in the Philippine Islands. These people developed a hybrid rice that not only had improved yields but also had short straw so that it was capable of holding a heavier yield of grain above the water through which rice grows.

Perhaps that does not sound very important, but it has proved to be important because not only has the original yield of rice improved from the use of this new strain without any additional fertilizer but when fertilizer is added yields can be greatly increased. Such yields could not be obtained with the old strains of rice because as soon as it was over-manured it fell in the water and the crop was lost.

Also, this new strain of rice, instead of taking 180 to 190 days from seeding to harvest, completed its life cycle and was harvested in 120 days. So, yields were not merely doubled but were quadrupled or increased sixfold and, instead of $1\frac{1}{2}$ crops being grown each year, in those areas where rice can be grown continuously throughout the year three crops of six times the volume were being harvested where $1\frac{1}{2}$ crops were being harvested before.

The impact of these two tendencies working together is overwhelming in its significance. In India last year in the grain-producing districts the schools were closed so that they could be taken over for the storage of grain. There are no silos there, and there is a very poor system of distribution because, although it is such an ancient country and so much of its population depends on agriculture, the distribution system is geared to the low-yielding agriculture to which most of its population is tied. Also, with this huge increase tremendously significant sociological pressures have

developed, and these pressures are absolutely unpredictable in their final effects. I wish to quote again from this report of the F.A.O. as follows:

Because these new miracle grains require relatively costly investments in seeds, irrigation, fertilizers and insecticides, large landholders may force increasing numbers of small farmers and peasants off the land and into the already overcrowded cities. The prospect, says British economist Barbara Ward, is of "a tidal wave, a Hurricane Camille of country people that threatens to overwhelm the already crowded, bursting cities." Agrees India's Home Secretary Y. B. Chavan: "Unless we do something about the Green Revolution, it will become the red revolution."

This looking across the world has had vast effects that nobody in the grain industries has been able to predict where it will end. The immediate effects are quite obvious. The Philippines, which used to import from other parts of the world between 700,000 and 1,000,000 tons of rice every year, now has a great surplus for export which it is trying to sell across the world at prices up to 30 per cent below what previously have been the prices recognized in world commerce for rice.

Much of the Australian wheat crop has gone to Pakistan in past years. Admittedly, we have given it at times, and at times it has been purchased from us and donated. It has been a wheat consuming centre just as India has, but it is now glutted with grain because not only has it increased yields to consider but it also has crop after crop of rice coming along. Only last week I had before the report of an agronomist who has found that with these rice strains 16 crops can be grown in succession on the same land without any let-up and without any diminution of yield.

We have loose in the world truly a green revolution, and no-one can predict just where it will go. Up to the present we have been very happy about the fact that we could get rid of some of our surplus into the Chinese continent. Regardless of the fact that the prices were at ruinous levels, this did get the wheat away and we were thankful for it because it cleared the storages for incoming grain. Japan, with its terribly crowded population and limited area, from being a large rice importing country has now so much surplus of rice that it is finding every possible means to use it in its industrial world. There is even a report that the Japanese are now using it for polishing metalwork and are finding it more effective than many other means.

Just to say that quotas in South Australia will overcome the problems in the world grain markets which we as farmers in this State face is far too optimistic. I do not think many farmers have had the true position put before them in detail. They certainly have never had it put through our local press, and I have never heard one of our industry leaders putting this clearly before the agricultural community as I have put it before this Council today. When people in the industry pose the problem they like to be able to see some way through the gloom. I think there is in this connection a hopeful light on the horizon in that some of the heavy-yielding grains are not as good as grain from the strains that have been used in the past. The texture, flavour and quality of the soft wheats grown from Mexican origin are so poor in comparison with our older strains that the best price they can command on a competitive market is about 10 per cent below that of our standard grain. Also, rice has much more impact on the world grain markets, because two-thirds of the world eats rice by preference. We as Australian farmers are apt to forget that wheat is not the preferred grain for most of the world's population, for two-thirds of the world eats rice by preference. Two-thirds of the world's population are rice eaters and eat their rice by hand, and the short straw strong stemmed rice grains are sticky when prepared. Therefore, this grain is not looked on with favour when there is a choice, but this is a feed grain that has removed the threat of world famine. A summary of a Food and Agricultural Organization report as a result of its deliberations three weeks ago reads as follows:

The world's agricultural potential is now great enough to feed 157 billion people (a billion consisting of 1,000,000,000 people) compared with the world's present population of 3.5 billion.

Need I say that there is a green revolution? Does not that statement bring it into perspective? It is not just a reorganization of our agricultural industry that must occur. To think that we are going to make material improvement by merely changing around our quotas is very optimistic indeed. All that our quotas can do is to try to hold the situation off until world commerce in grain can readjust itself to this huge new pressure.

The simple fact is that we have granaries bursting all around the world and, whereas we have been looking on some of our grains as purely human feed grains, they will have to find their place in the world in any form in which they can be marketed. There is airy-

fairly talk about them being marketed as feed grains. Of course, the world feed grain market has been a useful means of disposal of spoiled grains as far as Australia is concerned. However, the potential agricultural production will cater for a population of 157 billion people instead of the 3.5 billion people today and, obviously, the market, of the whole world's commerce, will have to be adjusted to meet the new situation.

Agriculture in Australia is in a state of greater crisis because of the wool market. In the wool market we see another change that has tremendously affected agriculture throughout the world—from the delta of the Ganges River right through to our own Mallee farmers. We think of wool as a very important fibre to Australia. The year before last we exported \$837,000,000-worth of wool; that is the last figure I have at my finger-tips. Last year the value was down a little to just above \$800,000,000. This is certainly an important product to Australia.

In North America, one of the three chemical consortia last year produced \$1,600,000,000-worth of artificial fibres, and this was just one of three consortia. In addition, France produced considerable quantities of artificial fibres, mainly by firms under the control of the same consortia, because the Americans are also marching in there. Japan has a huge production, and the production in Great Britain, I think, matches production elsewhere in the world. There is also big production in West Germany, but we do not know what is produced on the other side of the Berlin wall. This brings the world wool picture into a perspective that has not been present in the minds of Australia's farmers. Instead of being a major fibre, wool today is a minor fibre as far as the world production of textiles is concerned.

We are up against another difficulty: we have been told by industry leaders (and it was repeated only last week in the daily press) that if Australia could sell every pound of wool it produced, it was only a question of price. Our farmers are in difficulty because they cannot produce wool profitably at 45c a pound, which is an acceptable price on the market today.

This year many farmers will be very happy to receive 35c a pound, but let us take 45c a pound for the sake of my argument. This is a price that would beggar the small farmer. What is not appreciated by many is that before wool gets into the hands of the manufacturer who is using the fibre it has to be scoured, combed, and the short fibres removed. So a

fair average value for that wool for which the farmer gets 45c is \$1.60, which is the price at which wool competes with all the artificial fibres in world trade today, and \$1.60 a pound is a figure which the chemical industry is happy to compete with. We can perhaps compete on an even footing at that price.

But we must consider the very nature of wool, and this aspect was put interestingly to me in a letter I received from Mr. Nankivell, M.P., who is at present on the Continent. He recently visited a carpet manufacturer (and carpet manufacturers have been one of the major consumers of wool up to the present) and he asked him what was the position, why carpet manufacturers were not using wool in the same quantities as before, and why the market for wool was disappearing from under us.

The carpet manufacturer's reply was that he could pick up the telephone and order a year's supply or two years' supply of artificial fibre, of which he would know the price. He knew that it would be delivered regularly week by week and that it would be exactly to specification as regards length, strength, and thickness of fibre. The character of the fibre that he wanted would be built into the specifications he had laid down. He also knew that the artificial fibre would come to his door in plastic packs completely protected against any contamination. How can this be matched by wool?

If one looked at the wool merchandizing system today one would realize that it would be inconceivable that we could go to a consumer and say, "We will deliver 16,000, 20,000 or 30,000 bales of wool identical in every respect and not varying in price or quality." This is the disadvantage with which wool competes today. This shows why, inevitably, as these huge chemical concerns amortize their capitalization, we shall find it more and more difficult to sell our wool.

We have been fortunate with our leaders in the wool industry. We should be thankful and complimentary to the people in the industry for putting so much into research into the problems of wool so that it can remain a prestige fibre; but, with all this attention, we still have this difficulty of uniformity and convenience in the supply of artificial fibres to overcome and the fact that price, inevitably as time goes on, will work against us as our own costs rise.

However, this trouble is but the first rumbling of what I think will be an increasing flood of synthetics coming to swamp what have been the traditional agricultural markets.

Already in North America there are very heavy sales of milk, milk that has never been near a cow, milk that has never been within miles of a cow, a completely artificial product. Then we are told there are artificial meats ready for distribution. Samples have been received here; I hope we shall examine them closely. I think it is a pretty good product.

This artificial meat can be turned out, not in small quantities but in thousands of tons, with different flavourings. If they want to turn it into bacon, it is possible. We have for years been up against the competition of margarine on the butter market, but the competition we shall face from these artificial products is something we must realize is ahead of us and quite menacing.

The Hon. D. H. L. Banfield: Do you believe in competition?

The Hon. H. K. KEMP: Yes, I do; but we find it rather hard to believe that we are facing fair competition when our industries are so heavily loaded compared with those situated in the city areas. We find it hard to accept that there are agricultural industries that are subsidized whereas the manufacturers of Australia get three times the subsidy that we get. We believe in free competition and I think everyone in the farming industry would prefer to work out these problems for himself rather than have them directed by Socialist policy.

I do not think we should be sorry for ourselves in this regard. I am sure that, if we look at the difficulties that agriculture in other parts of the world is facing as the result of the same tendencies I have mentioned, we can fully appreciate them. For instance, let us take the position of a jute grower in the delta of the Ganges and compare his prospects with those of farmers who are tied completely to a one-crop agriculture.

We no longer use jute in string. We have supported the jute grower in the purchase of cornsacks but we know that jute is finished. Superphosphate today is bought in plastic bags, the money from which goes to swell the revenues of the chemical industry, which is one of our great competitors today. We believe in free enterprise, but it is hard to see just where it begins and ends.

What this amounts to is not only a green revolution but a chemical revolution, and those two are interacting. How far this process will go cannot at present be determined but I am sure that we in Australia will be growing wool, wheat and other commodities and ahead of us is a difficult period in which we must work out a new organization, basically

and fundamentally an organization that will be effective in the markets of the world. We need time for this; we need relief from the pressures that are causing us so much trouble.

We also need relief from this parrot cry "Let us get out!" That is one of the most dangerous things I have ever heard. It will be tragic if this is regarded as agricultural policy in this country. I should like to return to that subject a little later, because there is another side to it that we have not considered. So far, we have considered wool, wheat, rice and other kindred commodities.

I shall not discuss meat today, except that I have mentioned artificial meats that are likely to be met in competition very soon. We must think of other sides of our agriculture, and one in which I am deeply interested is, of course, the fruit industry, which today is nearer solving its problems than other industries because it has had more experience in this regard.

In our apple industry we have seen trouble looming inevitably for many years, trouble that would obviously have a severe impact on our production in Australia. I refer to the huge plantings that have taken place in Italy and France, not so much in Britain, and in the Netherlands and South Africa, halfway across the world, markets that traditionally have taken our surplus.

We have continued for many years to use the European market for the disposal of our produce but we have gradually been caught by the cheaper freights from those nearer centres of production and by the greatly improved kinds of apple being grown there. At one time we had no need to fear any great competition from Italian apples because they were kinds of apple that just did not have the qualities of those that we grew here; but now they are growing apples that compare very well with our own.

They can load them into a railway van in the Po Valley in northern Italy and they will be shunted into a siding at a market in Britain within two days, at a cost infinitely lower than ours because today it costs \$2.43 to take a box of apples from our packing sheds in the Adelaide Hills and deliver it to a market in Britain. This \$2.43 has to be paid before our growers get anything and before they can pay the costs of processing and insurance. So, before we can possibly get any respectable return at all, our fruit in the United Kingdom has to be sold at about £3 sterling for a 40 lb. box of apples. Over the years we provided for a stormy day by encouraging processors

to come into the industry, to whom we have fed our surpluses. Consequently, nowadays we have come very close to finding outlets for surplus South Australian production. Of course, the big producers in the other States are in trouble with surpluses, too.

The fruit industry, through being in trouble for a long time, has been able to go a long way towards solving its problems. The Citrus Organization Committee has been active, too, although it has been less successful in its endeavours. All this work will be fruitless if the United Kingdom joins the European Common Market. If this problem is added to the problems experienced by our grain and wool producers, it will mean that there is not one corner of Australia that is not in trouble, except just possibly (if there is no political trouble in the United States) meat production for export.

We must realize what the United Kingdom market means to us. We will inevitably lose it if that country joins the Common Market. Of course, if the United Kingdom joins, the Scandinavian countries will join, too. The following are details of exports to the United Kingdom that will be sensitive to trading changes if that country joins the Common Market:

"SENSITIVE" EXPORTS

	\$
Wheat	43,000,000
Sugar	39,000,000
Butter	28,000,000
Meat	26,000,000
Canned fruit	23,000,000
Fresh fruit	11,000,000
Oats and stock feed	10,000,000
Dried fruits	7,000,000
Leather	3,000,000
Cheese	2,000,000
Eggs	2,000,000
Wines	1,000,000

The total value of exports that will be sensitive if the United Kingdom joins the Common Market is \$314,000,000. I would like to ask the experts for an estimate of how much we must expect to lose when the United Kingdom joins the Common Market. The optimists tend to say that we will lose about \$50,000,000, possibly \$100,000,000, but the pessimists say that we will lose \$200,000,000 worth of export sales. This does not sound very much at all, but it is equivalent to losing Mount Isa or perhaps the Bass Strait oil field—a very good analogy. It could even be as important as losing Hamersley iron.

The Hon. C. M. Hill: The Minister of Agriculture does not seem to be very interested in the debate: he is not in the Chamber.

The Hon. A. F. Kneebone: The Minister of Lands is here.

The Hon. H. K. KEMP: The real problem is not economic: with this bursting, buoyant economy I do not doubt that Australia can sustain such losses—the real problem will be what happens to the rural areas from which this produce comes. Australia is notoriously sensitive in this area. In last week's *Bulletin* it was said that there are seven distinct rural districts containing about 500,000 people that are very dependent on so-called sensitive exports: those districts are the coast of Queensland, the areas of the small farms in Tasmania, Gippsland and the Goulburn Valley in Victoria, and to a lesser extent the Riverina of New South Wales, the Murray Valley in north-west Victoria and South Australia. We have enough trouble in these districts already, but if this happens to us the people along the Murray River and in the Adelaide Hills will be in just as bad a position as are people in the Mallee today.

The last way in which this problem should be solved is by following the parrot cry that is being made—get big or get out. If it is unchecked the effect of this publicity will be exactly the same as the effect experienced in the United States of America, where it has been appalling. An article in yesterday's *News* likens conditions in Florida and Texas to slavery; the area depends almost entirely upon migrant workers.

In this area of the United States of America practically the whole of the land holdings have passed into the hands of the "get big or get out" merchants; it is now in the hands of big city corporations. This is the last thing that we want to see here.

There is no doubt whatsoever that with understanding these problems can be overcome and our production units kept as they are. Our production units in Australia in agriculture are undoubtedly the most efficient in the world in their present make-up.

This pressure that is against us arises from that section of the Income Tax Act which allows capital earned from other sources to be buried in agriculture. This is one of the disastrous pressures. The other disastrous pressure is that of rising land values and the increasing incidence of capital taxation such as death and estate duties which together, unless we can get relief, are going to wreck agriculture in a short time.

I can say that it would be impossible today for a family with two sons to pass the succession of a farm of economic size to one

of those sons without access to finance from outside the farm. I said earlier that it was impossible today for a farmer with any heavy commitment outside his farm at all to carry on beyond a very few years, and this is truly the position of a very large number of these people today.

I now wish to turn to another subject that is very close to my heart, although I am afraid that it did not even get a mention in His Excellency's Speech. I refer to the control of bush fires in the Adelaide Hills. I think you, Sir, have heard me speak on this subject at great length in the past, and I do not intend to reiterate what has been said before. I think it is sufficient for me to repeat the statement I made when we returned from examining the disastrous bush fire that cost 52 lives in Tasmania: that the same circumstance would arise in the Adelaide Hills. I said then that it was not a matter of whether it could arise, but that it was purely and simply a matter of when it was going to arise. That statement has been repeated by practically everybody with authority in bush fire control in that area.

This matter is a State responsibility. During the past week I have had put before me the latest reports of the Commonwealth Scientific and Industrial Research Organization, which have appeared in the *Forestry Journal of Australia*, of the trial work that has been taking place in another State. This is work we should be involved in ourselves. The most effective thing I can do is read the report on the control of a huge fire that was undertaken at Myrtleford the summer before last. This is as follows:

The operation demonstrated that the aerial ignition system can be used by fire controllers to burn out all inflammable fuels . . . advantage can be taken of a short period of favourable burning conditions to burn out a large area, because the spot fires can be accurately placed and the topography can be utilized to influence fire behaviour and minimize danger. The final size of this fire was 49,800 acres. It was also a fire which was in very steeply mountainous country. This was the largest forest fire in the history of fire fighting in Australia to be brought completely under control and held through periods of extreme fire danger without the assistance of rain.

Now that is the position, and it is the practical result of controlled burning in terrain very much more difficult than the terrain we have in the Adelaide Hills. In the hills face zone we have quite heavily wooded and difficult country which builds up dangerous amounts of fuel over a period of five years, and some of that fuel now has accumulated over a very

much longer period and is a terribly dangerous threat to the areas down-wind.

The method I have referred to has been proved to be capable of being safely used under long continued periods of highly dangerous fire weather. That 50,000 acre fire was controlled day after day of extreme fire risk, and the result was resoundingly successful, because it was the first time it was ever done in Australian fire-fighting history.

Why can we not get some of this work done in the Adelaide Hills where we so desperately need it? There is no possibility whatsoever of our keeping safe the green face area of the Adelaide Hills without controlled burning. This is the outcome of the research work that has been conducted by the fire authorities in other States, and there is no other method of doing it. This method has definitely proved that controlled burning will preserve this timber undamaged. Despite our asking for this and repeating what is going on, we cannot get the slightest interest or work done in this State.

We have been passing successively larger areas over to the control of the State in national parks, and we have placed firmly on the shoulders of the Government the responsibility for keeping those areas safe and clean. But what is the result? Just nothing, as far as I can see.

I beg the new Minister of Agriculture, in his dual responsibility of bush fire control and the care of our forests, and the Minister of Lands, who is responsible for our increasingly large area of national parks, to do something about this matter before it is too late and we have a holocaust on our hands such as has been faced elsewhere. It is a matter not of whether it will happen but of when it will happen, and that could be as early as January of next year.

There are portions of the national park at the top of Greenhill Road which have between 15 years and 20 years accumulation of fuel. This is in steep gullies facing the north-west and west winds, and if this got going we would have a blow-torch that would stretch down-wind and right across the Adelaide Hills. We have seen the consequences of this. In these steep gullies in eucalyptus timber, fire can be thrown eight to 10 miles, and to leave this area in that condition any longer is absolutely unconscionable.

The Hon. R. A. Geddes: The Flinders Ranges could do with a little of this servicing, too.

The Hon. H. K. KEMP: We have been extremely fortunate in that a big area that was getting towards a dangerous condition was

virtually burnt out. I refer to the accidental fire that occurred between Norton Summit Road and Greenhill Road. Fortunately, this fire occurred in fairly safe weather, so no great damage occurred. However, that was a very lucky escape for this State.

I wish to refer now to the question of water conservation, which we were told in His Excellency's Speech was going to receive very close consideration. I would not be doing my duty by many people in the area from which Adelaide gathers its water unless I made clear statements of their attitude in this matter. There is no responsible person in the Adelaide Hills who is not prepared to keep clean the water that runs off his land as far as he is reasonably capable of doing it.

The trouble is that these people in the Adelaide Hills, who are pretty reasonable and thoughtful people, now find themselves in the position of being blamed for the presence of an increasing amount of algae growth in Mount Bold reservoir. As a result of this, it is necessary for them to contend with restrictions in this watershed area which, in their impact, are very unjust in individual cases but which they are willing to take in good spirit.

These people are sensible and know very well that most of the contamination occurring in the reservoir is not coming from the Hills dairying districts. The number of people engaged in farming, dairy farming, pastoral pursuits and apple growing is only a fraction of what it was 20 years ago, when there was no trouble with Adelaide's water. The contamination in Mount Bold comes from some other districts from which the Government draws high revenue from water rates: Stirling, Bridgewater, Heathfield and Aldgate.

All this area has been reticulated. Every householder has been given a water supply and forced to install a septic tank. As a result of this, from the beginning of winter right through until spring, in this high-rainfall country where the ground is completely saturated, down every water table runs a trickle of effluent into the streams that run into the reservoir; that is where the contamination comes from.

The Engineering and Water Supply Department is responsible for this, and it should have seen that this would happen, but the department has not made any provision for it. The restrictions the department is seeking to impose (although the regulations will have to come before this Council) are absolutely silly, because this contamination is being caused by the farmers, according to the department. I

know there are some ugly spots in the Adelaide Hills which the department has allowed to continue for many years.

The department is now rushing around like a busy woman with a broom trying to pick up the scattered rubbish on the ground. Most of the contamination is coming from the department's system of reticulation and the inevitable effect of running all the sillage water into septic tanks in country that cannot accept any more water.

I have never seen a community so deeply disturbed as are so many of these people in the Adelaide Hills. A dairyman today in the Adelaide Hills has to contend with not one inspector but with four separate inspectors, who might call on him independently and make different demands. These inspectors are calling repeatedly, often within a day or two days, and making different demands on the one person.

This whole situation must be cleared up. There are in the Adelaide Hills people who are qualified as inspectors to maintain the health of the community. They are employed by local government, and they have worked well for years. These people have in large part taken the responsibility for the cleaning up that the department should have done years ago.

These people are now being thrown to one side. There are many examples when it comes to people who are conscientiously trying to do the necessary work where agreement has been reached but where an upstart has come along and completely upset the position again within a few days. There is no necessity for any of the ill-feeling that has arisen.

If there were only a decent sense of co-operation, more effective work could be done by the Hills residents themselves, but they do not like being ridden over roughshod or being told, "You cannot take a block off the corner of your orchard and build a house for your son." These restrictions are ridiculous.

If a person went from Balhannah through the gully to its limit he could count nine houses as he went along; three of these were occupied 20 years ago but they are vacant now and are not likely to be occupied again. This is the situation in practically the whole of the Hills area because the tendency today is for less labour to be engaged. We must cut down on the number of hands employed in agriculture, so that the net effect is that the population of the watershed area has fallen and is being progressively centred more and more in township areas.

Even the township areas that have been agreed to by town planning and local government authorities are being ridden over roughshod by the Engineering and Water Supply Department; this does not seem to be necessary. If the department wants to get on with the job of cleaning up Adelaide's water supply, these people will co-operate with it.

A question was asked this afternoon concerning drainage rates in the South-East. I say that these drainage rates cannot be paid by many of these people. The point is that in great part the drainage system of the South-East is now completely redundant and should be bulldozed in.

In that type of country, which is fairly low-rainfall country, once the initial drainage has been obtained the purpose of the drainage scheme is finished. People in these areas are being charged a betterment rate, which could better be termed, now that over-drainage is occurring, a "deterioration rate", because production is falling as the water table recedes. These people are being asked to pay for the replacement of all road bridges, but there is no need for them to be replaced: what should be done is to excavate the land where the road bridges stand, and that would do some good.

To rebuild those bridges is as wrong as wrong can be. Admittedly, there are some small centres in which there are still loads of earth to be removed. A promise was made many months ago that this whole matter would be reviewed and relief would be brought to these people. No relief has appeared, and it is time it did.

I wish to mention only one other matter, a serious one for some of our Hills councils—the decrease in revenue to them as progressively more land is taken into Government use. This is most acute in a district not within my own electoral district—Gumeracha, where a fair proportion of forest land is being acquired. Each purchase there means so much less revenue for the councils concerned. The costs of servicing that land are not diminishing: the roads still have to be maintained, the weeds still have to be kept from the roadways, and the whole cost of those services, because of the difficulties involved, is usually borne by the local councils. This is imposing an increasingly heavy financial burden on them.

In the Meadows and Mount Barker areas there is Kuitpo, much of which area is being planted to pines. It should be possible for the Government, as it is making a profit out of the growing of pines, to put aside a little

of its returns to help meet local government costs there. It is not at all unreasonable to demand this, but at present the Government is making no contribution at all.

Those councils are quite happy that they do not collect rates on schools and other public buildings that service the community but, if a profit is being made out of the community, surely the Government should make a contri-

bution in this respect. I support the motion and thank honourable members for their patience in listening to me.

The Hon. V. G. SPRINGETT secured the adjournment of the debate.

ADJOURNMENT

At 3.58 p.m. the Council adjourned until Thursday, July 23, at 2.15 p.m.