

LEGISLATIVE COUNCIL

Wednesday, July 21, 1971

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

MINISTERIAL STATEMENT: ABATTOIRS

The Hon. T. M. CASEY: Mr. President, I seek leave to make a statement.

Leave granted.

The Hon. T. M. CASEY: I seek the indulgence of the Council to clarify some information I gave to the Hon. Mr. Story and the Hon. Mr. Hart yesterday in response to questions directed to me concerning the Metropolitan and Export Abattoirs Board. During the course of my replies I stated that the Treasurer had approved a loan of \$300,000 to the Metropolitan and Export Abattoirs Board and that that amount was available to the board. On perusing the *Hansard* report, that statement appears to me to give an impression that the amount of \$300,000 has already been allocated. The situation is that the Treasurer has given approval in principle for a loan of \$300,000 to the board, and one-half of that amount (\$150,000) has already been advanced on certain conditions as to security, interest rates and repayment, the remainder being withheld until it is clear that it cannot be raised by alternative borrowings. The \$150,000 has been allocated for a term of 42 years at 7.05 per cent per annum. This rate is made up of the 7 per cent rate at which the Commonwealth can presently borrow on a long-term basis on behalf of the State plus 0.05 per cent to cover the various small costs of raising, handling, and converting loans.

Secondly, I stated in regard to killing charges that I had power to control such charges made by the board. Whilst I as Minister am authorized to fix the terms and conditions (including charges payable to the board) of permits granted by me pursuant to the Metropolitan and Export Abattoirs Act to companies to bring meat into the metropolitan abattoirs area, I have no power to direct the board in regard to its killing charges, which it is empowered to fix by regulation under section 112 of the Act. All regulations made by the board are subject to the approval of the Central Board of Health and confirmation by the Governor-in-Council; and when so confirmed and published in the *Government Gazette*, they thenceforth have the force and effect of law.

In practice, it is customary for the board to submit to the Minister, as an act of courtesy, its proposals in relation to fees and charges,

and I have at all times found it willing to discuss such matters fully with me. I apologize to the Council for any misunderstanding which the text of my replies yesterday may have created in the minds of honourable members. I assure them that I had no intention deliberately to mislead them, and I trust that this explanation clarifies the situation.

QUESTIONS

RURAL ASSISTANCE

The Hon. M. B. CAMERON: Has the Minister of Lands any recent information concerning the number of applicants who have been refused and those who have been granted aid under the rural reconstruction scheme?

The Hon. A. F. KNEEBONE: The following figures relate to the position as at July 20, 1971. On that date a total of 164 applications for assistance had been received; two of those applications had been recommended for approval; 13 had been recommended for refusal; 14 applications were before the committee; and 135 applications were pending. Advances recommended amounted to \$12,653. A total of 16 applications had been received for the issue of a protection certificate; one of those applications had been recommended for approval; 13 had been recommended for refusal; and, of the remaining 2, the administration had been able to negotiate the deferment of proceedings pending the process of the applicants' requests for assistance.

The Hon. M. B. CAMERON: I direct my question to the Minister of Lands and seek leave to make a short explanation first.

Leave granted.

The Hon. M. B. CAMERON: In answer to a question today, the Minister has indicated that out of a total of 15 people who have been considered and on whom a decision has been made in relation to rural reconstruction, two applications have been granted. That is a ratio of one to six for a total of 164 applicants. The approval of these two, which cannot be considered an average in number, indicates that about \$6,000 will be granted to each applicant. At the rate at which people are making applications, it seems a total of 28 would be granted out of 164, which means that \$168,000 would be granted, in total, in respect of applications received so far. I believe that one of the problems is that in the publicity about this matter there has been a very hard attitude towards this scheme. Will the Minister indicate through the publicity channels available to him a more lenient attitude in this matter

so that people needing this capital will apply for it? Otherwise, the money available under the scheme will last a long time.

The Hon. A. F. KNEEBONE: It is not for me to take a more lenient attitude towards the application of the scheme. The conditions of the scheme were laid down and we accepted the scheme at that point where we found that any further protests would only delay its application before it was approved. As honourable members know, a Bill was introduced in this Chamber before last Christmas enabling us to apply the scheme when the Commonwealth Government passed the requisite legislation. When we were pressing for some amendment of the scheme to make it easier for the States to apply it, we were told by the Commonwealth Government that, if we sought an amendment at that stage, the application of the scheme would be further delayed: the Commonwealth Parliament would adjourn and we would have to wait for some time. The scheme was accepted then under protest, because it was felt that its application was too severe. These figures I have given indicate that this is so. We are asking for people to make application. The application form is a fairly lengthy one, and I have been approached on that score, but we must have these details. If they are not provided in the first instance it is necessary to delve around for further information and the application takes longer in processing as a result of having to go back two or three times. I do not know what can be done. Before the scheme was introduced I expressed misgivings about it, and what has happened bears out the remarks I made at that time. As to being more lenient, we are applying the scheme as put to us by the Commonwealth; that is the only way we can do it.

The Hon. M. B. CAMERON: Will the Minister draw the trend that is occurring to the immediate attention of the Commonwealth Government and seek some more lenient attitude, if this is required, on the part of the Commonwealth?

The Hon. A. F. KNEEBONE: Unless I receive more application forms it would be foolish to approach the Commonwealth and say that we have 164 applications to cover the whole of the State. We must have more application forms in. On the last occasion the matter was discussed, mainly as a result of my forcing the issue, the Commonwealth agreed that we apply the scheme in the light of our experience and the Commonwealth would consider the matter after it had been given a fair

trial to see whether there was need for alteration. This could be done only on the basis of proper assessment, and 164 applications is not sufficient for a proper assessment.

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: The Minister made two statements that interested me. One was in relation to application forms. I, too, have had some complaints in this regard, particularly on the cost involved in getting the application form filled in by the applicant. Secondly, he said that no approach would be made to the Commonwealth Government until more applications had been received. It seems that these two things may be complementary. Can the Minister say what is the position in the other States with regard to the application forms? Also, does he think the form in South Australia may be too complicated?

The Hon. A. F. KNEEBONE: The application forms in the other States are not as comprehensive as the South Australian form. I have already explained why I think the South Australian form is a good one: it saves people having to go backwards and forwards several times. Unless the details are readily available, it is not possible to make a decision quickly, and some of these things have to be decided quickly. As I have already said, some people are seeking protection certificates to prevent action being taken against them by their creditors, and various details are required before a decision can be made with regard to the issuing of a protection certificate.

Although I am willing to have a look at the question of the application form, my advisers and the committee say that it is necessary to have the application form as it is. I have been shocked by what I have heard about the sums being charged by some people to fill in these forms. I have seen the forms, and I consider that for any farmer or pastoralist who has kept his books properly and is a good manager of his property the application form should not be very difficult to fill in. Generally, I would think that these people keep proper records of their dealings from year to year.

The Hon. D. H. L. Banfield: They would have to do so for income tax purposes.

The Hon. A. F. KNEEBONE: It is not a matter of guesswork with regard to their operations every year.

The Hon. Sir Arthur Rymill: Do you think they keep their own books?

The Hon. A. F. KNEEBONE: Some of the people who have come forward do so, whilst others do not. Some of these people have employed book-keepers in the past, while others employ people to fill in their income tax returns. I do not see why people should charge such exorbitant sums as I have been told they have charged for this work. Some of the application forms that have been filled in by the farmer himself have set out the particulars quite clearly for the committee, and if some people can do it I do not know why the majority of them cannot do likewise. The application forms are available and have been sent out, and if we change all that process and require a different application form, how are we to apply the scheme in the meantime? It would take some time to make other forms available, and it would delay the application of the scheme. However, as the honourable member has asked me to have a look at the question, I will do so.

The Hon. Sir ARTHUR RYMILL: In view of those answers, can the Minister tell the Council how many pages this South Australian application form embodies?

The Hon. A. F. KNEEBONE: I have one with me. The form consists of 23 pages. However, I point out that it is not necessary for every settler to fill in all those pages. For instance, a wool producer would not have to fill in all the pages, nor would a wheatgrower. Although this complaint has been thrown at me before, I point out that many of the pages do not concern every applicant.

The Hon. Sir ARTHUR RYMILL: I seek leave to make a brief statement prior to asking a supplementary question of the Minister of Lands.

Leave granted.

The Hon. Sir ARTHUR RYMILL: I do not like asking questions without having the full facts, but the Minister has just confirmed information I have had that the South Australian form has 23 pages. I also have information, which may not be correct, that other States' formats of this nature consist of three to four pages. I also have information, which may or may not be correct, that professional people in the country are charging and are feeling obliged to charge for filling in the South Australian form many times the fee that has been required in other States in consequence of all this additional information that has been required. Will the Minister find out the size of the forms in the other States?

The Hon. A. F. KNEEBONE: I am willing to do that for the honourable member. However, I point out that the size of the form is not the sole answer, for information about the number of pages does not convey anything to anybody. I think it would be necessary to examine the whole procedure in the other States, including what they do with regard to the applicants after the first application comes in. I do not think the number of pages means anything; I have read some fine books that contain only a few pages, and I have read books with many pages that have not meant a thing to me. It is not the number of pages contained in any application form that determines whether or not it is a good form: it is how the questions are asked.

The Hon. Sir ARTHUR RYMILL: In view of that reply, will the Minister find out what professional people in the country in other States are charging to fill in these forms, because that may give a lead on the bulk of the information required?

The Hon. A. F. KNEEBONE: Yes.

The Hon. M. B. CAMERON: Is the Minister of Lands aware that it is taking up to eight hours of a professional person's time to fill in these forms? Will he consider subsidizing the cost of filling in these forms in order to facilitate the flow of applications for assistance?

The Hon. A. F. KNEEBONE: I am not aware that it is taking up to eight hours to fill in these forms. The time taken to do this would depend on the rural industry the applicant was working in or was interested in. Secondly, my experience of subsidizing things like this is that, once we start doing that, the charge goes higher.

RED SCALE

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: In Western Australia red scale in citrus is a serious pest and is, generally, more prevalent in that State than it is in the Eastern States. I understand that in 1968 the Western Australian Government gazetted regulations prohibiting the sale of citrus fruit affected by red scale, which seriously affected the market for citrus fruit from this State and the Eastern States. I have since been told that a South Australian grower has noted that fruit, of Western Australian origin, heavily infested with red scale

has been freely offered for sale in Perth and suburbs. Will the Minister of Agriculture therefore investigate whether the Western Australian Government is abusing its powers under its State quarantine or crop protection legislation so that there may be a discrimination between its own producers and those from other States, which would violate and defeat the intent of section 92 of the Commonwealth Constitution?

The Hon. T. M. CASEY: I shall be happy to take up that matter with the departmental officers.

STURT HIGHWAY

The Hon. L. R. HART: Yesterday, two questions were asked regarding the construction of a road to by-pass Greenock and another town in the Barossa Valley. Will the Minister of Lands ask the Minister of Roads and Transport whether he is willing to lay on the table of this Council the present plans for a road to by-pass Greenock and Nuriootpa?

The Hon. A. F. KNEEBONE: I will convey the honourable member's request to my colleague and bring down a reply as soon as it is available.

SOCIOLOGICAL COMMITTEE

The Hon. M. B. DAWKINS: I seek leave to make a short statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. M. B. DAWKINS: My question is supplementary to the one asked yesterday by the Hon. Mr. DeGaris regarding the Sociological Committee. I have been aware that this committee has met on many occasions in the city, as it used the Land Settlement Committee room, and the Secretary of that committee always paid me the courtesy of ensuring that the committee room was free before the Sociological Committee used it, but this has not happened for some time now. However, the Premier has said that the committee is currently examining the individual problems of, I presume, growers in the area. From that I think it could be fairly construed that the committee is still meeting. Consequently, can the Chief Secretary say whether the committee is, in fact, still in session and when the committee's final report will be made available?

The Hon. A. J. SHARD: I will refer the honourable member's questions to my colleague and bring back a reply as soon as practicable.

COCKATOOS

The Hon. C. M. HILL: Has the Minister of Agriculture a reply to my question of yesterday about permits being issued for the two cockatoos that were recently taken from this State to a bird park in Singapore?

The Hon. T. M. CASEY: I am delighted to be able to inform the honourable member that on April 2, 1971, I authorized, on the recommendation of the Director of Fisheries and Fauna Conservation, the issue of a permit for the Royal Zoological Society of S.A. Inc. to export from the Adelaide Zoo to the Jurong Bird Park in Singapore the following native birds: two piping shrikes (maggies), two Major Mitchell cockatoos, and two Cape Barren geese. These birds were surplus to the Adelaide Zoo's requirements for exhibition purposes.

As I indicated to the honourable member yesterday, I frequently approve requests for permits for the exchange of animals and birds between zoos, and previous exports of fauna to the Jurong Bird Park have been approved by the Commonwealth Department of Customs and Excise. The fact that the Premier took the opportunity while he was in Singapore to present these birds personally as a gift from South Australia was, I think, a worthwhile gesture, but it was incidental to a perfectly normal transaction. I have with me the relevant file on this matter which I shall be happy to make available for the honourable member's perusal if he so desires.

The Hon. C. R. STORY: Will the Minister of Agriculture ascertain from the Minister for Conservation how many birds of the species known as the Major Mitchell cockatoo have been permitted to be exported from South Australia in the last two years?

The Hon. T. M. CASEY: I will obtain that information for the honourable member and let him have a reply as soon as possible.

FLAMMABLE CLOTHING

The Hon. V. G. SPRINGETT: Yesterday the Minister of Lands, on behalf of the Minister of Labour and Industry, replied to my question regarding the use of flammable material in clothing. I asked the same question in 1967 and received almost the same reply. It seems that we are not getting very far very fast. In view of the tragedies that follow accidents resulting from the burning of children's nightdresses, can the Minister say how quickly something more is likely to be done?

The Hon. A. F. KNEEBONE: I cannot tell the honourable member how quickly something more is likely to be done, but I can tell him that I agree with what he has said. The child of one of my colleagues was involved in an accident that resulted from flammable material being used in clothing; the accident could have been very serious but, fortunately, it was not serious. The honourable member has not had the experience of attending Ministerial conferences where the six States and the Commonwealth are represented; if he had had that experience he would know that it is not unparalleled for there to be a long time before decisions are reached. I shall do what I can to push the urgency of this matter with my colleague before he attends the forthcoming conference.

VIRGINIA WATER SUPPLY

The Hon. M. B. DAWKINS: Has the Minister of Agriculture obtained from the Minister of Works a reply to my question of last week about the water supply in the Virginia market gardening area?

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

A scheme to provide for reticulation of Bolivar effluent throughout the Virginia area poses special problems. The Government has authorized the major study by the Agriculture and Mines Departments to determine what problems irrigation with this water would cause. It is expected that the cost of the study will exceed \$100,000. The Government could not commit itself to a large expenditure on a reticulation scheme only to find it would have to spend an equivalent amount or more to drain the area. Accordingly, the Government must wait for the report from the Agriculture Department before it can go ahead with any reticulation schemes. Although the Agriculture Department has stated that the report will take a considerable time, the honourable member may be assured that everything practicable will be done to speed up the report.

I want to add that I think every honourable member is most concerned about the situation at Virginia, but it is important that we know all the facts before we use this water from Bolivar willy-nilly, only to find that we shall be in a situation later where it will cost an enormous amount of money to rectify the position. No Government would be right in the head merely to go along and use this water willy-nilly, not knowing exactly where it was going.

The Hon. L. R. Hart: Are you talking about salinity or health?

The Hon. T. M. CASEY: Both.

The Hon. H. K. KEMP: Is the Minister aware that the Agriculture Department in the early 1950's was granted money and an area of land at the Parafield Research Station to investigate the utilization of water of the quality anticipated from Bolivar? The investigation was carried out at the time and the problem was completely answered.

The PRESIDENT: Is the honourable member asking a question or explaining it?

The Hon. H. K. KEMP: I am asking the Minister whether he is aware of the facts I am putting forward, which can be obtained from the files of the Agriculture Department. Has any recognition been given to that early work, because those records are in the department? All this work has been done and answered sufficiently.

The Hon. T. M. CASEY: I will definitely take up the matter referred to by the honourable member and find out exactly where those reports are on the work that has been carried out. I assure him that these reports will be taken into account. I thank him for the information he has provided.

ABATTOIRS

The Hon. L. R. HART: I direct my question to the Minister of Agriculture. Has the Metropolitan and Export Abattoirs Board an agreement with the unions that in return for improved wages and conditions the unions agree not to indulge in strike action for a period of two years; secondly, are employees of the board on strike today?

The Hon. T. M. CASEY: I know of no arrangement whatsoever between the board and the union regarding the first matter raised. As to the second matter, I understand from what I have read in the paper that the Meat Employees Union has gone out on strike in sympathy with the Transport Workers Union. That is all I can add. It is actually a stop work meeting.

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

Leave granted.

The Hon. C. R. STORY: I thank the Minister for his Ministerial statement with regard to the position of the Metropolitan and Export Abattoirs Board. Will he find out for me the present total loan indebtedness of the board to the South Australian Treasury? Will he also ascertain what is the total of loans made available through other lending institutions, excluding normal overdraft arrangements?

The Hon. T. M. CASEY: I will obtain that information for the honourable member and let him have a reply as soon as it is available.

SOUTH-EASTERN HIGHWAY

The Hon. R. C. DeGARIS: I seek leave to make a short statement prior to asking a question of the Minister of Lands, representing the Minister of Roads and Transport.

Leave granted.

The Hon. R. C. DeGARIS: I have received a letter from the South-Eastern Division of the South Australian Road Transport Association concerning the urgency of altering the condition of the Callington Hill section of the South-Eastern road No. 1. Most people who travel this road to the South-East would know the Callington Hill section. I have been in a similar position to that referred to in the letter, when a vehicle has broken down and one has no vision to enable one to pass such a vehicle. The South-Eastern Division of the South Australian Road Transport Association seeks some alteration to this road so that a broken-down vehicle can be removed to the left hand side of the road to enable other vehicles to pass it without danger. Will the Minister of Lands draw this matter to the attention of the Minister of Roads and Transport?

The Hon. A. F. KNEEBONE: I shall be happy to refer the honourable member's question to my colleague.

PLANNING AND DEVELOPMENT ACT

The Hon. C. M. HILL: I seek leave to make a short explanation prior to asking a question of the Minister of Lands, representing the Minister for Conservation.

Leave granted.

The Hon. C. M. HILL: Last year I asked a question regarding the Planning and Development Act and the possibility of conferring under that Act a right of appeal on persons who consider that they are aggrieved by any approval granted by the State Planning Authority, the Director of Planning or a council. I was told in reply on December 3 that this complex matter was being investigated, and that the Director of Planning intended to carry out further studies on this matter both in Australia and in New Zealand. As I understand that the Director has been to New Zealand and is now back in South Australia, will the Minister ask his colleague whether the Government intends to carry on with this

investigation and what is its view about granting this right to third parties under the Planning and Development Act?

The Hon. A. F. KNEEBONE: I will convey the honourable member's question to my colleague and bring back a reply as soon as it is available.

ADDRESS IN REPLY

Adjourned debate on motion for adoption. (Continued from July 20. Page 133.)

The Hon. L. R. HART (Midland): I support the motion for the adoption of the Address in Reply, which was so ably moved by the Hon. Mr. Banfield and seconded by the Minister of Agriculture. I, too, compliment His Excellency the Governor on the dignified manner in which he delivered the Speech. All honourable members are pleased, I am sure, to see that His Excellency is enjoying improved health, and we express the hope that he continues to do so. We in South Australia have been fortunate in the quality of the people who have filled this high office as representatives of Her Majesty the Queen. However, one is saddened when one hears suggestions that the office of Governor should be abolished. Every nation has a head of State in some form or other and, as this position has been accommodated so successfully in the past, it would be detrimental to the interests of the people of this State if the present policy were abandoned. One can quite easily visualize the disorder that would ensue in the community if we had filling that office a person who believed it was the moral duty of every citizen to obey his conscience and break those laws that he felt were wrong. Indeed, it would be a tragedy if a person holding those views held such a position.

I, too, express my sorrow at the passing of those sitting and past members referred to by His Excellency. I refer particularly to the Hon. Colin Rowe, with whom I was closely associated in this Parliament for many years. Mr. Rowe was held in high esteem throughout his district. He held very strong views and was prepared to stand by those views, and the State is the poorer by his early demise. I had the honour of knowing Sir Collier Cudmore, although I did not have the honour of serving with him in this Council. However, I appreciated what a valuable citizen he was to South Australia generally, not just as a member of this Council. I knew Mr. Sam Lawn, a member of another place, very

well. He, too, had strong views, perhaps in a different direction from those of the other members to whom I have referred. However, he was always prepared to stand by his views. The Hon. Mr. Cowan, who served in this place before my time, made valuable contributions to the Statute Books of this State.

It is also a privilege to have served in Parliament with Sir Norman Jude, who could perhaps be described as a man with an effervescent personality, who served his State loyally. I hope that he and Lady Jude will enjoy their years in retirement. To the Hon. Martin Cameron, the new member for Southern, I extend my congratulations and best wishes for a long and fruitful period as the member for that district. Similar congratulations are also extended to Mr. Wright, the new member for Adelaide in another place.

One of the disturbing features of His Excellency's Speech was the lack of consideration being given to solving the problems facing rural industries. Out of a total of 35 items listed in the Speech, only four dealt specifically with primary producing concerns. In other words, about 11 per cent of the Governor's Speech, which is, of course, prepared by the Government, was devoted to primary industry, an industry that provides more than 51 per cent of our export earnings, excluding minerals. If minerals were included (and they are usually regarded as a primary industry product), that figure would be 69 per cent.

Responsible leaders in the community are continually forcibly expressing the plight of their members and the causes contributing to the economic situation that has developed in the rural industry. Only this week the leading primary producers organization in this State held its annual State conference, which was attended by more than 200 delegates. The call by some delegates for militant action to draw attention to the needs of primary industries was out of character with this section of the community, but it shows how desperate is the plight of the people in those industries. The report of the retiring president of the organization, Mr. E. C. Roocke, who for the past two years has rendered valuable and untiring service to his organization, was couched in fairly moderate terms, in view of the mood of many of the delegates. The following is a portion of Mr. Roocke's report, which expresses rural problems concisely:

Unfortunately, despite many efforts to improve the conditions for, and the returns from, rural enterprises during the past year, I would have to say that the serious financial

stringency that I referred to in my report last year has not been arrested, but that today the financial liquidity of many holdings would have further deteriorated during the past year to a point where the hope of return is almost a forlorn one.

The somewhat confident optimism that existed 12 months ago in the field of allied secondary industries has in numerous instances, become one of anxiety for the future of their enterprises. Retrenchment of staffs are being made; diversifications of output are being sought, and curtailment of activity has had to be resorted to, in an endeavour to meet the changing circumstances.

I have no doubt that Mr. Roocke was referring particularly to some firms that manufacture farm machinery. His report continues:

The national wage increase of 6 per cent, as granted during the year, has resulted in a higher unit cost of manufactured goods, and the irony of it all is that, by the time we rural producers buy the article, the initial increase of 6 per cent has doubled and trebled itself through the cost-plus factor of each person handling the said article. Further, the increased spending power of the recipient of the wage increase has the effect of lessening the purchasing power of the dollar by at least 2½ per cent per annum.

Circumstances have forced the grower to increase his production or to attempt to diversify his enterprise to try and keep up with the ever-rising cost factor, thus making available an ever-increasing supply of produce to be sold on the export market. We see the increased cost of goods, rises in costs of essential services, and labour costs rising at a rate, which is seriously affecting our cost of production—so much so that it is having a very serious impact on our ability to successfully compete with relatively lower cost industries of other exporting countries.

Those last words are very important, because they convey to the Government a message that we have been trying to get across to it for many years—that we are pricing ourselves out of the export markets of the world. To appreciate some further reasons why the primary producer is in his present situation, one has only to compare the prices he received and the wages he paid 20 years ago with those that apply today. If one makes that comparison one must conclude that the primary producer's present predicament is not self-inflicted.

About 20 years ago the average price of wool was nearly 87c a pound, whereas today it is 28c a pound—one-third of the price it was 20 years ago. During the mid-1950's the price of wool increased to a price even higher than 87c a pound. About 20 years ago the cost of shearing sheep was about \$16 a hundred sheep, whereas today it is \$23 a hundred

sheep. About 20 years ago a shed hand's wages were \$37, whereas today they are \$69. Actually, those figures do not reflect the true situation, because 20 years ago a shed hand worked a 5½-day week, whereas today he works a five-day week. One does not begrudge him that concession, but the figures highlight why the primary producer is in his present position.

About 20 years ago the price of wheat was between \$1.60 and \$2 a bushel (depending on whether it was quota wheat or free wheat), whereas today the price is about \$1.23 a bushel (that is the price for the pool that will be wound up soon). Of course, that price applies with restricted production. About 20 years ago the average price of oats was \$1.05, whereas today it is about 80c. As we look right down the list of primary products we see that their prices have decreased.

The Hon. C. R. Story: Have you considered the price of the citrus fruits?

The Hon. L. R. HART: No; I am trying to deal with this matter from the viewpoint of the whole State, but one would probably find the same kind of story in connection with citrus. I shall turn now to the question of the cost input in connection with primary industries. In February, 1952, the basic wage was \$20.50, whereas today the equivalent wage is \$45.90—more than double what it was 20 years ago. So, is it any wonder that the primary producer is in his present situation? Increased costs are clearly crippling the farming community today. When people look for ways whereby the rural sector can be assisted, the usual cry is that it is a Commonwealth responsibility. In many cases that may be partly true, but there are some areas where the State Government could take some initiative, particularly in connection with land tax and succession duties. Both of those imposts are capital taxes and not related to income. One could say much about them, but *Hansard* contains pages and pages of references to them by honourable members.

The Hon. R. C. DeGaris: Capital taxation is one of the big difficulties facing the rural sector.

The Hon. L. R. HART: Yes. The question of land tax is interesting. The Government, I understand, is having a new land tax assessment made. This would be one of the few times in history when the Government has withdrawn the assessment and asked for a new one to be made. The reason is that this Government has realized (it is not that it was not told that this would happen) that it would collect more money from land tax than it

anticipated it would, and it would be from a section of the community that had not the ability to meet that taxation. So at last the Government has recognized that this is an area in which it can perhaps help in a small way to relieve the primary producer of some of his liabilities.

The Hon. D. H. L. Banfield: Were not the difficulties there when the Liberal and Country League Government was in office?

The Hon. L. R. HART: When the L.C.L. was in office it had a policy of phasing out land tax altogether.

The Hon. D. H. L. Banfield: But what did it actually do? We know it did not put its policy into operation.

The Hon. L. R. HART: The Liberal Government went out and the Labor Government was elected. The Labor Government, instead of reducing land tax as it said it would, increased it, and that is the very reason why today it is asking for a new assessment.

The Hon. D. H. L. Banfield: But your Government did nothing to assist the people on the land.

The Hon. L. R. HART: If the Labor Government really wants to help these people and is genuine in its attempt to help them, let it do what the Liberal Party was prepared to do—

The Hon. D. H. L. Banfield: But the Liberal Party did not do it.

The Hon. L. R. HART: —because, while we have land tax on rural holdings, we shall always have anomalies.

The Hon. D. H. L. Banfield: Tell us why your Government did not do anything about it.

The PRESIDENT: Order!

The Hon. L. R. HART: The honourable member had a chance to talk on another occasion.

The Hon. D. H. L. Banfield: Yes, but I did not talk a lot of baloney, as you are.

The Hon. L. R. HART: Does the honourable member intend to follow the line of some relief to the rural community? I am only suggesting to the Government ways in which it can assist that section of the community which, as the honourable member no doubt agrees, is going through a lean time.

The Hon. D. H. L. Banfield: You say we should do something. Did your Government do anything about it?

The PRESIDENT: Order!

The Hon. L. R. HART: That is not my interpretation of the matter.

The Hon. D. H. L. Banfield: It is mine.

The Hon. L. R. HART: We take the view that my Party's Government did something, even when in Opposition, to help the primary producers. Land tax is an interesting study. I recall that, when the first Labor Government came into power a few years ago, under the Premiership of Mr. Frank Walsh, it introduced a land tax Bill and, if it had not been for the action of the Liberal members of the Legislative Council, the effect of that legislation would have been crippling on the rural community.

The Hon. D. H. L. Banfield: It is crippled now.

The Hon. L. R. HART: And not only the rural community but also the whole of South Australia. I suggest the honourable member do not pursue this land tax argument far because there is not much mileage in it for him.

The Hon. D. H. L. Banfield: There is not much for you, either.

The Hon. L. R. HART: Succession duties are a State matter in which the Government can act without the cry going up, "It is something that is a Commonwealth responsibility." Here again this Government brought in legislation that increased succession duties to such an extent that it would have crippled many rural properties, and it was only by the intervention of the Liberal members of this Chamber that that Bill was amended to make its effect less severe on this section of the community and on the whole South Australian community in general. Therefore, there are two areas of capital taxation that have a great effect on the viability of the rural industries at present.

Another matter in which the State Government could and should be involved is the use of the reclaimed water from the Bolivar sewage works. The Minister of Agriculture said this afternoon in answer to a question from the Hon. Mr. Dawkins that the Government had to make a thorough study of the effect of this water on the district before it could be involved in any scheme, and that the cost of that study could be \$100,000. He went on to say that, if any Government entered into a scheme for the distribution of this water before making a thorough study of it, it would not be right in the head. I interjected and asked whether the problem was health or salinity, and he said it was both.

Let us look at the present situation of the use of reclaimed water from the Bolivar works. For a number of years now it has been pos-

sible for private users, after signing an agreement with the Government, to buy this water and use it on their properties under practically no restriction at all, the only restriction being that the Government would demand of private developers (I will read the wording of the contract) that they "would not use reclaimed water for irrigation of vegetables or other produce that may be used uncooked for human consumption". So, provided any landowner abided by that condition, he could take all the Bolivar sewage water he required. There is at present a developer who is using that water because he has formed a consortium among people to whom he has sold blocks of land. They are pumping this water from the channel and using it for the irrigation of vines and almond trees.

Did this firm do a study of the effects of this water on those trees? Did it carry out a study over several years of the effect of this water on the soil of that area or on the health of the community? I do not think it did. Every gardener in the Virginia district could use this water if it was physically possible for him to do so. He would not be required by the Government to make a study of the effect on the health of the community by using that water or whether that water would ruin his soil or not. These things are not required by the Government if the private user takes advantage of the reclaimed water to irrigate his orchards or pastures.

But, if the Government is involved as the distributing authority for this water, it has to spend \$100,000 to find out whether the water is safe. The only reason why the Government should be involved in this scheme is that there has to be a distributing authority. One of the Government departments (perhaps the Engineering and Water Supply Department) is possibly the only authority properly geared for the distribution of water under a scheme such as this. So we ask: why is it that we have to spend \$100,000 over a period of two or three years in order to carry out the tests needed before we can enter into a scheme as the distributing authority for this water?

If the land owners in the district could form a consortium (and this would be difficult because of their many nationalities) they could take this water and grow with it any type of vegetable other than those eaten in an uncooked state. I ask whether the Ministers involved are being led around by the nose by the departments. Is there a Minister in this

Government prepared to take the initiative and say that water of this salinity has been used in the district for the past 20 years and there has been no great problem with salinity? The water was cleared from the health angle three years ago (and there are documents to prove it) under the one condition that it was not used to grow vegetables to be eaten in an uncooked state. One could talk for hours on this, but I do not intend to do so today.

We hear much of pollution nowadays. One wonders whether the release of these huge volumes of water, anything from 25,000,000 gallons to 30,000,000 gallons daily, into the sea is a form of pollution. The water is nutrient-rich fresh water and is causing a bacteriological imbalance in the ocean bed, the effect of which is that large areas of the seabed are being denuded of seaweed. In its place is growing what is known as cabbage weed, the botanical name of which I have not on hand at the moment. As the weed grows its leaves are released from the plant and float around in the sea. It is beginning to cause some inconvenience to people using motor boats in the area, and it is believed to be only a matter of time before it will pollute the beaches. One wonders if the time might not be too far distant when it will affect the I.C.I. pumping arrangements in the pumping of sea water into the salt pans for the production of salt. Is the release of these huge volumes of water into the ocean a form of pollution?

The Minister, during his speech on this motion, made some comments concerning the export of meat, particularly in relation to our ability to fill our quota to the United States. I think his statements could tend to mislead some people. He said:

I am concerned that recently the Australian Meat Board stated that Australia may not be able to fulfil its beef allocation to the United States. We must guard against this. The American market at present is our most lucrative one, and we should be absolutely certain that we can supply it at all times.

That is true. The Meat Board does fear we may not be able to get all the beef to which we are entitled into the American market in the time allowed, and therefore it has lifted the diversification requirements and conditions regarding the percentage of meat to alternative markets so that our export may be concentrated on the American market. The Minister gave no reason why there would be this difficulty in getting the quantity of meat to which we are entitled into the American market. The impression one would gain from what he said

would be the inability of the Australian producer to supply the quantities of meat needed.

The Hon. T. M. Casey: I think you are wrong there. If you read further down you will see I mentioned that a contract was arranged between the Union of Soviet Socialist Republics and the Meat Board for meat to be sent to the U.S.S.R. Before that contract was signed the Meat Board should have made absolutely certain we would be able to fulfil the American contract as well as the U.S.S.R. contract.

The Hon. L. R. HART: That may be a contributing factor, but as I understand the situation the need for haste is that there is a fair chance of industrial trouble on the American waterfront. The maritime unions in America are threatening industrial action, and if this occurs it is possible we would have many shipments of meat held up because of inability to unload the cargo, and it may have to be diverted elsewhere. To overcome that, the Australian Government is suggesting to exporters that we get all the meat we can into America as quickly as possible because of the fear of industrial trouble there.

Another reason why we are having some difficulty in getting meat on the American market applies to mutton. Some of the larger mutton exporters are not keen to re-enter the American mutton market for fear some of their shipments may be condemned because of what is commonly known as "cheesy gland" in mutton carcasses. There need be only one piece of meat rejected for the whole shipment to be condemned, and then the American departmental officers may come to Australia to inspect the works again, and may even take away the export licences. It is because of this fear that some of the exporters are not keen to re-enter the American market.

The Minister implied that a market existed in the United States for Australian lamb, in particular the heavyweight lamb. This has been recognized for a long time. How to get into the market without upsetting the American lamb producer has been exercising the minds of Australian exporters and producers for a number of years. It is most heartening to note that an important step was taken in international co-operation between the lamb industries of the United States, New Zealand and Australia, the three countries having a common interest in the United States market.

Following a meeting at Denver, Colorado, on December 7, 1970, there has been set up a body known as the Lamb Promotion

Co-ordinating Committee, the prime aim of which is to expand the market for lamb in the United States, not only for Australian and New Zealand produced lamb, but also for lamb produced in the United States itself. Funds will be provided by the three countries concerned for a programme of education of the American consumer who, in the majority of cases, has never tasted lamb, stressing that as an alternative to red meat lamb has a place on the American table. The Americans spend about \$15,000,000,000 a year on red meat, and it is interesting to note the comparison of values of some of the main items. They spend \$6,400,000,000 a year on beef, \$1,300,000,000 on pork, and \$441,000,000 on lamb. Against this, they spend over \$1,000,000,000 a year on pet foods, which is considerably more than they spend on lamb and veal combined.

In addition to this, the Americans have an enormous consumption of what are known as hot dogs, into which goes considerable quantities of manufacturing meat exported from Australia. It has been said that if all the hot dogs consumed in a year in America were laid on end the chain would reach 73 times around the earth at the equator. I think it can be said that there exists in America a large untapped market for Australian lamb (particularly heavyweight lamb), that we in Australia can produce the type of lamb required, and that the American market is prepared to accept controlled export of this meat.

Unfortunately, I am afraid it is there that the happy story ends. We face in this country in this coming year a very heavy supply of lambs, and we are fortunate indeed that there exists in America a market to take the type of lamb that we are able to produce. However, we have one problem, and that is our inability to slaughter and treat the number of lambs that will be available in this coming year.

The Hon. T. M. Casey: Do you know the price of lamb on the American market at present?

The Hon. L. R. HART: It is very high. The Minister would probably know as well as I do what the price of lamb is on the American market. Of course, it would vary from area to area, and it would also vary according to quality. In answer to the Minister's interjection, I can tell him that the price varies from 75c to over \$1 a pound. As the Minister has said, they are not interested in

32 lb. lambs, either; they would be interested in the heavier lambs. Incidentally, the weight of the lamb they are interested in is about 60 lb. and upwards, so the retail price of a 60 lb lamb on the hook would be about \$60, and if we could get one-quarter of that we would be doing pretty well.

I have already referred to the problem we have locally regarding the ability of the Metropolitan and Export Abattoirs Board to slaughter the lambs that could be made available to it. A day or two ago I asked the Minister a question regarding the capacity of the abattoir this time last year compared with its present capacity. I would not have thought that this question would take much answering, but unfortunately I have not yet received an answer from the Minister. I understand that the capacity of the abattoir at present is no greater than it was at this time last year, and we all remember the congestion that occurred there at that time. So one must expect in this coming season to face again this unfortunate situation of not being able to slaughter the lambs as quickly as they are ready for market.

The Hon. T. M. Casey: Of course, there are other abattoirs in the State that could help in this regard.

The Hon. L. R. HART: Yes, there are, but in fact they do not always do their share of the slaughtering of lambs. It is generally known that it is more profitable to slaughter sheep than lambs, and perhaps these other privately-owned abattoirs are slaughtering sheep to the exclusion of lambs during the lamb season. If the Minister could use his influence to get these people to slaughter more lambs at this period of the year than they have been doing in the past, I am sure the producers of this State would appreciate his actions; and possibly he could do this, because some of these other works engage in the slaughter of mutton and then put their lambs on to the Metropolitan and Export Abattoirs to slaughter for them.

I know that the Metropolitan and Export Abattoirs Board, under its present charter, is required to kill all the lambs that are made available to it, but perhaps there could be some arrangement whereby these other works could play their part in the slaughtering of lambs during the glut season. I commend to the Minister this exercise; he may be able to use his influence in this regard.

The Minister went on to refer to the sales of wheat to China. He said that the only

body that was able to sell wheat was the Australian Wheat Board, and of course this is quite correct; but one gathers from his speech that the reason why we may not be able to sell wheat to China in the future is that we are not prepared to recognize that country.

The Hon. T. M. Casey: That would appear to be the case, wouldn't it?

The Hon. L. R. HART: Yes. We hope that the visit to China by the Australian Labor Party delegation has not jeopardized the possibility of the Wheat Board's being able to continue selling wheat to China. It is interesting to make a comparison of the amount of wheat that Australia has sold to China over the last six years with the amount that Canada has sold to China over the same period. We find that over that period of six years up to 1970 Australia had sold 67,508,000 bushels more wheat to China than had Canada. The figures are as follows: in 1965, Australia sold 103,003,000 bushels to China, while Canada exported to that country 52,370,000 bushels—only half the amount of wheat that Australia exported.

In 1966, Australia exported to China 52,007,000 bushels. In that year, Canada exported more wheat to China than did Australia, the amount being 74,024,000 bushels. In 1967, Australia exported 112,200,000 bushels, while Canada exported 90,460,000 bushels; in 1968, Australia exported 66,306,000 bushels, while Canada exported 52,013,000 bushels; and in 1969 (another one of those years when Canada exported more than we did), we exported to China 57,592,000 bushels while Canada exported 81,972,000 bushels. In 1970 (these are the latest figures available), we exported to China 92,353,000 bushels, while Canada exported to that country 65,114,000 bushels.

Over that period of time we have exported considerably more wheat to China than has Canada. Canada has exported some wheat to China this year whereas Australia has not yet done so, but following the past pattern it would be natural to assume that this year we also would make some sales of wheat to China. I hope that the visit of the Labor Party delegation has not jeopardized the possibility of the Australian Wheat Board's being able to effect further wheat sales to China.

The Hon. T. M. Casey: In what way could it jeopardize the sale of wheat to China?

The Hon. L. R. HART: I think it may have engaged in some sort of political exercise over there. If one can believe what one reads of

what has happened during this visit to China, one would gain the impression that the Labor Party delegation suggested to China that it should perhaps not be particularly interested in trading with Australia until that country politically recognized it.

The Hon. T. M. Casey: I didn't gain that impression.

The Hon. L. R. HART: Well, many people have, and many wheatgrowers are concerned that, unless this country recognizes China, it may have difficulty in trading with her because of the intervention of the Labor Party delegation.

The Hon. T. M. Casey: I think it's up to the Chinese Government to say that. If it has said that, there's nothing anyone can do about it.

The Hon. L. R. HART: The delegation may have posed a loaded question.

The Hon. T. M. Casey: What do you mean by "may have"?

The Hon. L. R. HART: It may have done so.

The Hon. A. F. Kneebone: And it may not have.

The Hon. L. R. HART: If the delegation said in China, "Have you not bought any wheat from Australia this year because the Australian Government does not recognize you politically", I suppose the answer would have been, "Yes". It would have been something like the question the Labor Party asked in the referendum on shopping hours: only one answer could be given. If this delegation that went to China has had the effect of increasing Australia's wheat sales, and if the Wheat Board is able to continue the sales it has made in recent years, I will be completely happy.

The Hon. T. M. Casey: Of course, wheat sales were stopped long before the Labor Party delegation went to China.

The Hon. L. R. HART: No, they were not. I have just given the 1970 figures, and in the 1971 period China bought wheat from Canada. If I understand the position correctly, the Wheat Board was in the process of negotiating further sales to China—

The Hon. C. R. Story: That's correct.

The Hon. L. R. HART: —but the visit to China by the Labor Party delegation may have had the effect of delaying the signing of a further agreement with the Chinese Government.

The Hon. C. R. Story: Forcing the Chinese into the corner.

The Hon. L. R. HART: I do not think the Australian Wheat Board should be involved in politics, and I trust that Australia's trade with China will not be upset by this visit, to which I have already referred. One watches with considerable interest the Premier's progress on his overseas trips and his efforts to attract industry to this State. I do not criticize the leader of a State when he makes overseas visits for the purpose of developing trade with foreign countries. Indeed, I believe it would benefit the State if back-bench members of Parliament were also given the opportunity to travel outside their own country to study firsthand and promote relationships with countries beyond our shores, be those visits in relation to matters of trade, foreign relations or any other issues bothering legislators today.

As great as the need may be to attract suitable industries to this State, one must not forget that we in South Australia have industries that could well face economic ruin unless the Government makes a more positive approach towards solving their problems. One has only to refer to an article in Saturday's *Advertiser* which stated that Uniroyal General Products was transferring part of its Edwardstown plant operations to its factory at Dandenong in Victoria. It is interesting to note what the General Manager of this company said. Part of that article is as follows:

The company's Managing Director (Mr. R. A. Footner) said the shift involved rubber and plastic parts made for the automotive and electrical appliance industries, valued at about \$1,500,000 in annual sales. Some retrenchments at Edwardstown were imminent. Mr. Footner said the move was being made because of lower production costs in Victoria.

"Wage, freight and manufacturing costs in South Australia are rising continually and it is time someone drew attention to it," he said. "I don't think we are the only company in this position. Excessive wage demands by the Miscellaneous Workers Union, added to the factors I have mentioned, also played a part in the decision to move," he said.

The Hon. C. M. Hill: In other words, the rot has set in.

The Hon. L. R. HART: That is true; the rot has set in, and it has set in to such an extent that we have lost the cost benefit that we had over other States, a benefit which has been of extreme value to this State for many years and which has helped us to attract industries here. Even established industries are feeling the blast of this cold wind.

The Hon. A. F. Kneebone: Professor Russell didn't agree with that, did he!

The Hon. L. R. HART: Is he an authority on this?

The Hon. T. M. Casey: Yes, he is an economist.

The Hon. L. R. HART: There are many economists about today. Indeed, we will have a job to keep them all employed in this State. I realize that a certain Government does create a few positions for them. Perhaps we could enter into an export trade with some of our economists—that is, if we could get anyone to take them. If established industries are to leave this country, what hope have we of attracting new industries? I referred earlier to some of the factors that were contributing to the economic instability of various sections of this State. I am sure the Government will take heed of the present situation, particularly that which has been highlighted by the withdrawal of part of the plant of Uniroyal General Products. I trust that in the future the Government will look closely at this matter of cost to industry in this State, and that it will do something to rectify the position.

The Hon. H. K. KEMP (Southern): In supporting the motion, I join with previous speakers in expressing my regret at the death of Sir Collier Cudmore, who left such a tremendous mark in this State and who had such a distinguished record in this Chamber. I refer also to the Hon. Colin Rowe who served with distinction as a Minister for many years, and to Mr. John Cowan, who was also a member of the Legislative Council.

I also express my regret at the death of Mr. Sam Lawn, a member of another place, whom I came deeply to respect. He was an honest trade unionist who came up the hard way and who carried his loyalty without any equivocation whatsoever. There are too few of this type of man in Parliament today. Of course, Parliament needs more men like this; I am afraid we find it hard to sustain the intellectuals. Mr. Lawn was in himself a lovable person, and was as straight as a die. I hope that all the families of these gentlemen will accept the condolences that members tender to them.

I must also mention the retirement of the Hon. Sir Norman Jude, who was a personal friend to nearly every one of us. I am sure that we all join in extending good wishes to him and our hope that he has a long and happy retirement in the very lovely association that he has with his good wife.

I extend the sympathy of every honourable member to Lady Playford in connection with the serious illness that has overtaken Sir Thomas Playford. Honourable members will hear with regret that, after making a very good early recovery, Sir Thomas had a serious setback last weekend. However, I am glad to report that he is again making very good progress. He is still in hospital but is expected to go home shortly. We all wish Sir Thomas the speediest possible recovery and we hope that he will take things a little more easily in future.

I congratulate the Hon. Martin Cameron on his election to this Council and Mr. Wright on his election to the House of Assembly. Those of us who have been in politics for some time will wonder just why these newcomers want to put themselves in such circumstances, but they have done it and we welcome them and hope that they do not regret their decision.

As a representative of a district that is partly industrial, partly metropolitan and partly country-industrial, it is with very mixed feelings that I view the many subjects dealt with in His Excellency's Speech. I view the programme set out in the Speech with great misgivings because it contains very little information about legislation that will deal with the urgent problems in the Southern District.

Much has been said about the effects of capital taxation on the rural industries and much more must be said, because very few people are aware of just how crippling and devastating that form of taxation is proving to be, not only for rural enterprises but also for other types of business that are operating in this State and in which a large proportion of the capital involved is in the form of fixed assets.

Bakeries, garages, and small engineering shops as well as farms are tremendously disadvantaged by various forms of capital taxation. Those imposts are levied year after year no matter what the degree of profitability of the enterprise. We have all been concerned about the take-overs of what were private businesses by public companies in the last few months. I am referring to take-overs of privately-owned companies by organizations that not only are public companies but, regrettably, are owned in other States and other countries. Consequently, the results of the working of those enterprises will from now on be largely lost to this community.

In our own small district in the Adelaide Hills we have lost two reasonably sized factories—W. Jacobs Proprietary Limited and the Johnson tannery—that had operated for many years. Earlier, the small-goods factory operated by Foggitt Jones was taken over by a firm in another State, Maria Meats. Because the viticultural industry has been pretty buoyant, take-overs of wineries have snowballed.

The winery that was operated by G. Gramp and Sons is now owned by the United Kingdom controlled Reckitt and Coleman group; McLaren Vale Wine Estates is now owned by Reed Consolidated Industries, also of the United Kingdom; Glenloth Wines is now owned in the United Kingdom by Allied Vintners Proprietary Limited; the Stanley Wine Company at Clare has also been taken over; today it was announced that another winery had been taken over by Dalgety Australia Limited; and the Robinson Winery at Happy Valley is now owned by a firm in another State.

It is proving impossible for a family business to exist any longer in this State under the system of capital taxation. The farmer is in the same position of having most of his assets in the form of land; furthermore, he has an income the variability of which he cannot control, because it is determined by the vagaries of the seasons and by the ups and downs of oversea markets. In fact, a privately-owned business that is paying its taxation honestly cannot possibly accumulate sufficient liquid capital to pay succession duties, estate duties, land tax and council rates, all of which are imposed regardless of a firm's profitability.

These terribly damaging levies are having such a severe impact that I wonder whether it has not been with design that they have been allowed to grow. I am sure that people did not realize just what they were doing when they first imposed these forms of taxation. Such levies could be sustained whilst enterprises had a high degree of profitability; farmers did not greatly object to the levies in years of high wool prices and reasonable wheat prices and in years when they had little difficulty in disposing of their crops. But now the crunch of over-production has come and the full damaging impact of it is apparent. The impact is that, unless we can get relief from this sort of taxation, business in private ownership, where a fair amount of capital is involved, is inevitably doomed.

This is a sectional tax, a class tax. The publicly owned company whose owners hold the shares that are valued on the profitability of that company escapes completely, to a large degree, this form of taxation as far as the central integrity of the business is concerned. These shares pass from person to person, on death or by gift, on their value on the Stock Exchange, which is based largely on the amount of interest or dividends they earn.

The position with the farmer or the vintner is that on death the land, the buildings, the vats, the improvements, even down to the screwdriver in the workshop, are valued and a very heavy impost is made on the business. As matters stand today, 30 per cent is taken by the Treasury. This is so cruelly and harshly administered.

It is one of the most vicious forms of taxation imaginable because, at the end of a lifetime of building a business, paying taxes on his earnings, putting most of the surplus away and building up the property, which is what we have been asked to do repeatedly, the Treasurer comes along and says, not to the man involved but to his widow and children, "Give me 30 per cent. If you cannot find it immediately, your assets will be sold."

Unlike the shareholder in a public company, a portion of whose shares can be sold, in most cases the farm or a portion of it must be sold. If a portion is sold, the remainder is no longer an efficient and effective production unit. I am sure that the impact of this taxation is not appreciated by either this Government or the Commonwealth Government.

This whole business of rural reconstruction is approached with the idea that the farm that will survive is the one that is larger, better mechanized and able to produce most efficiently. That is the farm that in these days, in the form of public ownership, will be the most heavily taxed of all.

Two aims are being widely bruited. If we are to help agriculture by encouraging this aggregation of farms, it will inevitably shovel the beneficiaries into the arms of the Treasurer when the time comes. Surely unless it is, as has been stated, the studied policy of the Government that private farming in Australia is to be finished, what is being done by this form of taxation today must be appreciated.

For many people on the land, land tax is of comparatively minor significance, but the point is that its severity in relation to the value of the land involved is creating tremen-

dous anomalies. In my own district of Southern, in the Padthaway area there is an area that appears to be uniquely adapted to the growing of vines, while most of the land usage in the neighbourhood is pastoral. In some cases there is intensive land use in raising small seeds, and in a very few cases the land is under dairy and cattle production; but the area is mostly occupied by pastoral interests.

The areas that have proved satisfactory for the growing of grapes are limited and the price placed on them for people willing to come in and expand grape production has risen from a reasonable rural value up to \$1,000 an acre; and these values are now being attached to all the adjacent land, which cannot possibly ever be planted to vines. Much of it is not, cannot be, and never will be suitable, but this is the land value on which tax is based.

This is an example of taxation being, in some cases, equal to or exceeding the total productivity of the land as it is used and as it has been used since those districts were first settled. Land tax must be regarded as needing a completely "new look" approach.

In the sub-metropolitan area, tremendous anomalies are arising because of the increasing value of land as the city spreads, but there are tremendous areas of the sub-metropolitan area that cannot and never will be allowed to be cleared and built upon; but those areas are being valued and taxed at the same rate as the areas fit for subdivision. Here, a tremendous injustice is being perpetrated.

In some cases several times the annual productive value of the land is being demanded in land tax and council rates, and this land is just not capable of subdivision. Surely the Commissioner of Taxes realizes that there must be a new look at land valuations and land tax.

A valuable suggestion has come forward, I believe originally from the stockowners, that would overcome most of the anomalies attaching to land tax on agriculture today—to make the principle of land taxation uniform throughout the State, in both urban and rural areas; to make that taxation on the valuation of the homestead; and completely to exempt from taxation land not used for housing.

This would bring the landowner, the farmer, into exactly the same category as the suburban householder. Taxation could be exacted on the valuation of the homestead, perhaps even including the valuation of farmstead improvements such as sheds (the woolshed, the haysheds, and so on), to keep the taxation on that

small section and exempt the rest. This would be justice, instead of vacant land which can never be utilized being taxed so heavily that a tremendous burden is placed on the landowner. These difficulties would be overcome and there would not be the anomalies of which I have spoken and which are so difficult to bear today.

Other types of capital taxation should be looked at. Are succession and estate duties, being exacted so savagely, directed consciously towards the evacuation of the rural districts? This is the tendency that is taking place. Until recently we have had a very stable, happy and efficient farming community occupying the country districts of South Australia. Today the position is very much different indeed, and large areas of our countryside are falling very rapidly into the possession of fewer and fewer hands.

When this occurs, instead of each landholding having upon it a family living in stability and happiness with probably another one or two families employed, consolidation takes place and half or less of the population remains. In many cases the aggregation (not so much in South Australia as in other States) has occurred to such a degree that the population of some districts has fallen by 30 per cent or more, and that percentage inevitably has been transferred to the city areas to find an existence and survive.

Is this a conscious policy? It is a question the present Government and any future Liberal Government must face. If it is the policy to centralize the population more and more into the capital city areas and follow the system of taxation being followed at present, this is the effect it will have.

We have had much lip service given over the years to decentralization, the spreading of our population, and yet we have at the same time this exaction on the means of rural production which is much more effective in its impact than any lip service and public statement.

Another subject is worrying me greatly. Recently at Millicent, in the South-East of this State, a New Australian doctor addressed a services club. He had been asked to do so because its members were interested to hear his experiences as a New Australian coming into Australia, gaining his training to practise, and setting up as a doctor in that district. He is a particularly good man, originally from Czechoslovakia.

He told how he had come here to work, first as a manual labourer, to gain sufficient

money to put himself through university and get the short training which allowed him to set up practice here as a medical practitioner. I paraphrase his closing remarks: "It worried me, while I was going through the university, to find right through the faculties the same organization of disaffected people as we had in Czechoslovakia before we were taken over—an organization which did not worry us materially, which we did not think very important, but which we found so bitterly at the end was so efficient that it was irresistible and overwhelmed us as a people." Within three weeks that doctor received a letter from Czechoslovakia telling him that, if he spoke in public again on that subject, reprisals would be taken against his family.

This occurred right here in South Australia. There is no doubt that the line of communication that bore these messages to and fro across the world within a week or two was through the university as well. This is a factual situation, which can be documented. It is one that should give everyone cause for deep thought.

Recently we have seen an attack on an organization called the League of Rights. I say "Thank God for this organization", which is entirely non-political and does not seek to enter politics, but which is mainly concerned with keeping people aware of the subversive influences operating in this community, which seem to be polarizing so dangerously in our education system.

This matter of *avant garde* thinking in universities and schools is in many ways desirable, as long as it is not allowed to become a vehicle for subversion, and there is very good reason to think that it is.

Recently I had a bitter complaint from the Mannum district about the type of book appearing in the high school library, citing specifically one of the titles that parents in the district consider should not be in a school library. The book to which I refer is *Catcher in the Rye*. I have not read it, but I have glanced at it, and it certainly is not a book I should like to see in the hands of my teen-age children.

The complaint by parents apparently has led nowhere. I think this is something that the Government should consider. Parents have a right in this matter, and it should be obligatory on the school that where there is a complaint by parents about the material that is being presented to their children it should be given weight to and followed up.

I am likely to get very eloquent about the next subject that I will discuss, which is the recent 25 per cent increase in freight charges which we have been warned will soon be imposed on all refrigerated transport to Europe. I do not know whether honourable members realize how disastrous this will be. In the past, we have been able to regulate the whole of the merchandising of the crop in the apple and pear industry by channelling off into export a proportion of the production that was surplus to our local needs.

In recent years, this has become more and more irregular, over-supply in the European theatre has increased, as the freights have gradually crept from the original \$1.20 or \$1.30 to the present level of \$2.43, and as the costs of preparation and of the materials needed to prepare food for export have risen.

Where 10 years ago a box fit for export fruit could be purchased for about 25c, today a carton to do the same job costs about 40c to 50c. The wages of the people who prepare the fruit have gone up in the same way as all other wages, so that where previously a margin was returnable to the growers on a price obtainable in Britain, the return today is very little indeed.

With the subsidy from the Commonwealth Government that has been given, I think, chiefly to help Tasmania over its crisis, there will be some sort of return, but with the great majority of fruit that is now put forward for export very little more than, and very often less than, the cost of production is obtained. It is bad enough with us in the Adelaide Hills, but with the orange grower along the Murray River the position is quite disastrous.

With the prices that have been obtained from the principal markets in New South Wales and in Melbourne, the maximum that has been coming back to the grower from recent shipments has been 10c for the first-quality fruit delivered to the packing house. That is a return of 10c for the fruit at that point. It is costing him 20c to 25c to pick it, so only part of the picking cost is being paid, and the cost of growing the fruit and the cost of running the property is not being returned to him.

This is the position that many of our fruit-growers are in today. The position of the dried fruits grower, as members will be aware, is equally as acute. The entire industry is in very dire straits. At the moment, those growers have to sit it out and wait for some solution which at present is not visible.

This situation is identical to that being faced by the woolgrower, and I think that this whole show is being very badly let down. We have to survive as an industry, and, although we will have a thin time, we will survive, but we can do that only if we find alternatives, short-cut methods and means of meeting the situation for which we are getting little or no guidance. I have spoken on this subject in the past.

The real problem that faces the people in the Upper South-East who are now in trouble is that they have no alternative cash crops into which they can diversify their production in so many instances. The Lower South-East is finding this alternative in a limited way, and I think we will be seeing very rapidly occurring in the Lower South-East a whole new industry built on intensive cropping on land that is suitable.

The people who have been responsible for the introduction of quick-freeze vegetable growing in the South-East are to be highly commended, for this will be a lifesaver to many of the people in that area. However, when one gets north away from the soils and the climate that can be used for these purposes there is no relief whatsoever. However, I am sure that some relief could be found. We have been asking for at least four or five years for this matter or alternative cash crops to be investigated, but no notice has been taken.

I think it is a very serious position when we have a large section of the community being asked to live not on its earnings but on what it has accumulated in past years or on relief, which is materially the position that is facing much of the fruit industry and much of the agricultural sector today. Those people will survive, but they are going to survive very cruelly. We must not forget that when such a person dies his farm will be sold up if he does not have the cash to pay his probate.

We have urged the need for research in the agricultural sector, research which could be leading the Agriculture Department to be a hive of activity in matters relating to handling, searching out different methods of using our produce, and finding different types of produce for us to prepare.

I could go on talking on this subject for a long time because it is such an important one. The point is that it is no use beating the air; if the Government will not do this work, we will have to go out and do it ourselves. I am glad to say that there are the first signs of

considerable activity by the agricultural industries themselves in getting away from the advisory services, which have been provided and on which they have relied in the past, and of trying to find a way out of their difficulties.

Finally, I refer to a subject that is of vital importance to those of us who live in the Adelaide Hills. In a lifetime spent on scientific agriculture, I have never seen such a devastating spread of a weed as has occurred over the last six months with African daisy. This weed was a serious problem last year and the year before, but in the last 12 months hundreds of acres that were either lightly infested or not infested at all have been covered like a blanket with African daisy, and much of this country is completely inaccessible and cannot therefore be treated.

I am referring to the country that was burnt out in the bush fires in the Horsnell Gully National Park, the extremely steep slopes below Cleland Reserve and similar slopes that stretch around to Belair. This country is so steep that no implement can travel over it. Indeed, even a bulldozer would tip over. Only cable-held implements could be used to reach this country, which is completely infested with this weed, a weed that is blowing a continuous blanket of seed to the extremely valuable agricultural country to its east which, in turn, is also becoming heavily infested.

Fortunately, many of the residents of the district are aware of the danger facing them and are looking for these blowings of seed. However, the task is becoming too great to

handle; it is becoming beyond their capabilities and financial resources to cope with it. We still do not have an effective weed killer to enable us to control this weed; we merely have to let it grow and then deal with it with a chain slasher. However, this method of control cannot be used in the type of country that is now becoming infested. The landholders must either get rid of the weed themselves or have the department come in and charge them for the work it does.

Although this work is completely ineffective, it becomes a charge on the landholder, as we have seen to our bitter experience in the past. This hopeless situation is confronting so many people in the frontal zone of the Hills, who are breaking the law and can do nothing about it. When the departmental officers direct them to do something they realize that the methods they are told to use will be completely ineffective.

I hope that the Agriculture Department will recast its approach to this problem, which is fast becoming out of hand. This State has a greater need for careful and conscientious work by Agriculture Department officers than it has ever had before, and I sincerely hope that these officers can sustain their efforts in this regard. I support the motion.

The Hon. R. C. DeGARIS secured the adjournment of the debate.

ADJOURNMENT

At 4.36 p.m. the Council adjourned until Thursday, July 22, at 2.15 p.m.