LEGISLATIVE COUNCIL

Thursday, September 19, 1974

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

ASSENT TO BILLS

His Excellency the Governor, by message, intimated his assent to the following Bills:

Metropolitan Taxi-Cab Act Amendment,
State Lotteries Act Amendment,
Superannuation (Transitional Provisions) Act Amendment.

PETITION: LOCAL GOVERNMENT

The Hon. A. M. WHYTE presented a petition from 310 ratepayers and residents of the District Council of Spalding expressing dissatisfaction with the first report of the Royal Commission into Local Government Areas and praying that the Legislative Council would reject any legislation to implement the recommendations of the Royal Commission in respect of the Spalding district.

Petition received and read.

QUESTIONS

EXPLORATION LICENCES

The Hon. R. C. DeGARIS: I seek leave to make a brief explanation prior to asking a question of the Minister of Agriculture, representing the Minister of Environment and Conservation.

Leave granted.

The Hon. R. C. DeGARIS: The Nature Conservation Society recently released a report outlining its objections to the Government decision to grant exploration licences at Arkaroola and Moolawatana in the North Flinders Range. The society's President said:

The granting of licences to a company was clearly contrary to the policy of the development plan for the area which the Government itself had authorised in February, 1974. Mr. Hopgood, the Minister of Development and Mines, in his replies to the society's objections, has pointed out that one paragraph (section 9, Proposals of Rural Land, class A, paragraph 6) of the development plan recognises the mineral potential of the region, but has not yet answered the society's questions relating to the next paragraph in that same development plan, which spells out that the Department of Mines (not companies or individuals) would be permitted to conduct geological investigations in consultation with the State Planning Authority.

Will the Minister of Agriculture seek a report from his colleague in another place on the matters and questions raised by the Nature Conservation Society?

The Hon. T. M. CASEY: Yes, I will refer the honourable member's question to my colleague and bring down a reply.

BRANDY

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

Leave granted.

The Hon. C. R. STORY: On August 29, I asked the Minister a question, commencing as follows:

Last week, when explaining a question, I said I wondered whether the Minister of Agriculture would raise the matter of the wine industry generally and brandy production particularly at the next Agricultural Council meeting.

That was the day prior to the Minister's leaving for Agricultural Council, and he replied to me, in part:

Nevertheless, it will be done. I draw the honourable member's attention to the fact that this matter has been brought up at Premier-Prime Minister level, and I do not believe I can do anything at the council to steal the thunder that has been created originally by the talks between the Premier and the Prime Minister on this subject.

In view of the impost of 40c a litre (which is more than 30c for a 738-millilitre bottle) that the Commonwealth Government has placed on the brandy industry, that Government appears to have all the symptoms of alcoholism, because it simply cannot leave brandy alone! That Government particularly, but also the former Government, has been at this since January, 1972. It must be remembered that the Government assumed office on the plank of getting rid of the excise on wine, and particularly that on brandy. However, it has done all it can to make it more difficult for wine-grape growers, particularly those in the irrigated areas. The Government is also making it extremely difficult for brandy manufacturers. Will the Minister of Agriculture therefore say what action the State Government intends to take to try to convince the Commonwealth Government that this is a serious matter?

The Hon. T. M. CASEY: I assure the honourable member (as I said in reply to a previous question) that I raised this matter at Agricultural Council. Although the Premier stole all the thunder before that, I created quite a bit of thunder myself at the Agricultural Council meeting. Indeed, I thought that the case I submitted on behalf of brandy producers and the winegrowing industry generally was a good one. Much homework was done on the matter and on the submissions made to me by the Wine and Brandy Producers Association and wine-grape growers.

I was hopeful (and, indeed, it was indicated to me that this could happen) that some relief in this respect could have been given in the Commonwealth Budget. I must confess that I was equally as disappointed as was any other honourable member when I read about the details of the Budget the morning after it was presented. I honestly believe, as does the honourable member, that not only the present Australian Government but also the former Government is equally to blame regarding this matter, as the latter did nothing about it either, and I did not forget to tell them about that at the Agricultural Council meeting. The situation is serious from South Australia's point of view, as there are more than 2 000 wine-grape growers in the Loxton area that have been adversely affected by the impost of the brandy excise. I intend writing to the Australian Government to point out how this State's producers are suffering in the present situation.

The Hon. M. B. CAMERON: I seek leave to make a statement before asking the Minister of Agriculture a question.

Leave granted.

The Hon. M. B. CAMERON: Last evening I was given figures showing that the excise returned to the Commonwealth Government for each tonne of grapes has risen from $470 when it assumed office to $1 130 now, an increase of 262 per cent, whereas the return to growers has increased from $51 a tonne to just over $60 a tonne—an increase of 15 per cent. So, there is a dramatic difference between the two returns and, of course, the Commonwealth Government incurs no risk, whereas the grower does. When writing to his Commonwealth colleague, will the Minister draw his attention to these facts?

The Hon. T. M. CASEY: Yes.

STRATHALBYN SCHOOL

The Hon. JESSIE COOPER: Has the Minister of Agriculture a reply from the Minister of Education to my recent question about conditions at the Strathalbyn school?

The Hon. T. M. CASEY: The Minister of Education visited the Strathalbyn schools on September 9. A decision has now been taken to relocate the Strathalbyn Infants School on the primary school site. It is hoped that this relocation can be done in Demac and provided early in 1975. I believe that a Demac school is a portable type of school.

HALLETT COVE

The Hon. C. M. HILL: I have been approached on behalf of a constituent, a conservationist, who is concerned that not enough is being done to preserve things of scenic and geological interest in the Hallett Cove area. Will the Minister representing the Minister of Environment and Conservation ascertain whether the Government is satisfied that it has taken enough action by way of acquisition or town planning regulations to protect and conserve the environment at Hallett Cove? If the Government is not satisfied that it has taken enough action, what further action does it contemplate in the cause of conservation generally in this area?

The Hon. T. M. CASEY: I will refer the honourable member's questions to my colleague and bring down replies when they are available.

AGRICULTURAL EDUCATION

The Hon. M. B. DAWKINS: On September 10, I asked a question about agricultural education, with particular reference to the possibility of setting up a farm management college in this State or a second stratum of agricultural education within the existing facility. Has the Minister of Agriculture a reply from the Minister of Education?

The Hon. T. M. CASEY: The Roseworthy Agricultural College Act was proclaimed on March 14, 1974, and the college council provided for in that Act has been formed and is now in charge of the college operations. The new Director of the college, Dr. D. B. Williams, took up his post in February. The council of the college has immediately directed its attention to the question of two levels of agricultural education. The first proposition for a second-level course involves the introduction of an associateship diploma in wine production and marketing and has already been submitted to the Board of Advanced Education for its approval. The board recommended to the Minister of Education the release of reserve funds for the introduction of this course, and the Minister was pleased to accede to this request. The course has also been accepted by the Commission on Advanced Education, and arrangements are being made to enrol students in the course in 1975.

This will be in the nature of a technician level course in the wine industry and will produce support staff for that industry. The oenology course will continue, although the college has plans for a revision of the structure of that course. The college council is also considering, at the present time, the introduction of an associateship diploma in farming which is designed to meet the needs of persons engaged in practical farming. The two associate diplomas mentioned will each be of two years and will involve practical as well as academic work. They really start to meet the need for a second level of agricultural education. The college is also considering a diploma in primary resource management, which will have biological and ecological emphasis.

These last two courses in farming and resource management have not yet been developed to the point at which they can be submitted to the Board of Advanced Education for approval. In view of the short time which the new council has had in office, I think it is to be commended for having so promptly initiated these new ventures. This shows promise that Roseworthy will rapidly develop in many ways in service to the people of this State. At the present time, the Government has no intention of creating a second level of colleges for agricultural education. We prefer to give Roseworthy the opportunity to experiment and to provide the facilities which are needed before further considering other colleges.

MURRAY RIVER FLOODING

The Hon. J. C. BURDETT: Has the Minister of Lands a reply to my question of last Tuesday about Murray River flooding?

The Hon. A. F. KNEEBONE: A preliminary warning has already been given to all lessees on Government controlled reclaimed swamp areas. This was done by Lands Department officers calling meetings at which all lessees were given the opportunity to attend on Wednesday, Thursday, and Friday of last week. They were informed of decisions made in regard to the prediction of flood levels, estimated time of peak conditions, and the possibility that the areas may be required to be control flooded to avoid damage to embankments. As to actual time of flooding individual swamps, no decisions can be made at this stage. The period between final warning and actual commencement of flooding will depend on:

(1) further predictions of peak conditions;
(2) rate of flow at peak;
(3) rate of increase in height of river when approaching peak conditions; and
(4) general condition of embankments at that time.

The problems confronting landholders are fully appreciated and the warning of the time of flooding of specific swamps will be as far in advance of the event as the situation will allow.

At this stage, compensation for actual losses is not under consideration by the Government, but consideration is being given towards financial assistance in the terms of the Primary Producers Emergency Assistance Act. The publication of river heights is a matter for the Minister of Works, who has assured me that this information will be published as soon as it is available, as is the normal practice.

SUGAR

The Hon. V. G. SPRINGETT: Has the Minister of Agriculture a reply to the question I asked on September 10 regarding sugar supplies?

The Hon. T. M. CASEY: As I informed the honourable member when he made his original inquiry, I am not aware of any reason why sufficient supplies of sugar should not be available in South Australia. The production of sugar in Australia is subject to an agreement between the Australian Government and the State of Queensland. The current agreement was entered into in 1969 and it provides, *inter alia*, that the "Queensland Government shall make sugar available for sale and delivery in Adelaide at prices not exceeding the prices specified in the agreement".

SEAS AND SUBMERGED LANDS ACT

The Hon. R. C. DeGARIS: Has the Minister of Agriculture a reply to the question I directed to the Premier on August 13 in relation to the Seas and Submerged Lands Act?

The Hon. T. M. CASEY: On July 12, South Australia issued a writ out of the High Court against the Commonwealth, challenging the validity of the Seas and Submerged Lands Act, and on August 2 the State filed and delivered

its statement of claim. The next step will be for the Commonwealth to deliver its defence, and the action will then be set down for hearing. Similar proceedings have been taken by the other States, and no doubt all of the cases will be heard together. In view of the complexity of the issues and other claims on the court's time, I think it unlikely that the hearing will take place this year.

MOTION FOR ADJOURNMENT: HOUSING TRUST RENTAL HOMES

The PRESIDENT: The Hon. Mr. Hill has informed me in writing that he wishes to discuss, as a matter of urgency, the matter of the policy of the South Australian Housing Trust and the Government's justification of that policy as enunciated in the reply given yesterday in the Council to a question concerning Housing Trust rental homes. In accordance with Standing Order No. 116, it will be necessary for three members to rise in their places as proof of the urgency of the matter.

Six members having risen:

The Hon. C. M. HILL (Central No. 2): I move:

That the Council at its rising do adjourn until Tuesday, September 24, at 1.30 p.m.

The urgent matter I raise deals with the South Australian Housing Trust, the recent questions I asked regarding trust rental houses, and the reply the Minister gave me yesterday. I want to make the situation clear. My criticism is not directed at the Housing Trust or its officers; it is directed at the Minister in charge of housing who administers the affairs of the Housing Trust, and is directed to the Government.

The Hon. M. B. Dawkins: The trust has some extremely efficient officers.

The Hon. C. M. HILL: I am pleased to join with the honourable member in that sentiment. However, my criticism is directed towards the Minister and the Government, and I make that criticism under two headings. First, it was apparent from the reply I received yesterday from the Minister that the Government is supporting what it calls a flexible policy, under which it is allowing people with high incomes to retain occupancy of Housing Trust rental houses.

The Hon. A. F. Kneebone: How high?

The Hon. C. M. HILL: I hope that the Minister, in due course, will find out those figures for me. Even if the figures are not as high as I expect, I do not believe the Minister would have gone to the extent of saying in his reply that the Government intends to maintain a flexible policy on this matter, and that the Government does not intend to restrict applicants and occupancies of trust houses to people facing extreme hardship in the low income bracket.

The Hon. R. C. DeGaris: Is $20 000 a reasonably high income?

The Hon. C. M. HILL: From my experience, I believe that $20 000 is a very high income.

The Hon. A. F. Kneebone: Can you prove that there are tenants with incomes of $20 000?

The Hon. C. M. HILL: No, I do not have any absolute proof that there are tenants with $20 000 incomes, but I hope that these figures will be eventually brought forward. Of course, they must be brought forward by the Minister who has access to that information through the trust. That is the first point, and it is a matter to which I take strong exception, and it is a matter of extreme seriousness. Secondly, I refer to a most objectionable attitude taken by this Government through its reference to the creation of ghettos if too many low-income applicants are provided with houses in the one locality.

The Hon. C. R. Story: Did they say that?

The Hon. C. M. HILL: The word "ghetto" was used, and I will later quote from the reply I received to stress this point. I believe that no Government should escape censure when it admits that its policy permits high-income earners to remain in trust rental houses without check, when so many applicants on low incomes (and this is the current situation) are waiting for accommodation, while at the same time it blatantly claims that people on low incomes will, if housed in the one locality, turn that area into a ghetto.

The Hon. M. B. Cameron: I thought the Government claimed to represent these people.

The Hon. C. M. HILL: That is right. On September 12, I asked a question of the Minister on this matter, and I now refer to that part of my question which dealt with a group of people who had made representations to me, as follows:

They are especially concerned with the situation that might exist in relation to rental houses controlled by the South Australian Housing Trust. This situation applies where tenants are granted occupancy when their incomes are moderately low. After some years their incomes may increase considerably, and indeed in some instances it is thought that people on comparatively high incomes continue as tenants and have their leases renewed. At the same time, there exists a long waiting list of applicants on low incomes who suffer great hardship through being without reasonable living accommodation. My question is this: when leases come up for renewal within the Housing Trust, especially when tenants have resided in homes for some years, is any means test applied or any investigation undertaken to ensure that high income families are not continuing in occupation of trust homes, thereby stopping urgent cases in the low income bracket from obtaining housing which it is absolutely impossible for such people to obtain other than through the Housing Trust?

The Minister in his reply yesterday (and, again, I am quoting only the significant and relevant parts of it) said:

The honourable member has apparently misunderstood the method of tenancy used by the South Australian Housing Trust, which does not use leases as are found in the private sector. As Housing Trust tenants rent on a weekly basis, there is no case of leases coming up for renewal. The rent charged is calculated on the economic return from the time the tenancy is granted. This means that when any vacancy occurs a recalculation is made and the new tenant pays the rent that is applicable at that time.

The honourable member will also be aware that under the Commonwealth-State Housing Agreement, 1973, rents must be adjusted on an annual basis, and the first of such exercises was carried out earlier this year. The honourable member should also be aware that, under the 1973 Commonwealth-State Housing Agreement, a means test is applied to all tenants housed in Housing Trust accommodation. There is some flexibility in this, as the Government does not believe it is in the interest of a balanced community development entirely to eliminate higher income people from Housing Trust dwellings. To do so would tend to create ghettos of low income people with consequent sociological undesirable consequences.

That question and answer form the base for my claim that this is a matter of grave public importance. I accept, of course, that there are no Housing Trust leases, but that point is irrelevant to the main body of my submission. However, there are some significant aspects when we talk about flexibility, as the Minister did, and there are some significant aspects when it comes to the matter of ghettos.

First, I submit there is ample evidence of the problem facing low-income families today in regard to housing. All honourable members are aware of the contacts made with them by people who are urgently in need of low-rental housing from the trust, and time and time again members of Parliament are in contact with the trust endeavouring to help such people. Their plight has recently been worsened by the high interest now charged in the general market, plus the high deposits they must find when endeavouring to purchase houses.

In many cases, that combination of interest and deposits relative to today's market stops people from buying who would otherwise be able to buy in ordinary economic circumstances. A risk also applies in today's economic environment that causes people to pause and seek rental accommodation because, in their view, that is the safer approach.

There is the current problem of unemployment. There was a report yesterday citing over 134 000 unemployed people in Australia, and the report indicated that, in the opinion of the gentleman who contacted the press, it was the worst record in the history of Australia. This unemployment situation and the fear of unemployment have also caused people, who otherwise would not have gone to the Housing Trust, to turn to that State institution and plead for low-income rental accommodation. They cannot obtain it in the private sector because rents there are, of course, high.

Therefore, people have no alternative but to approach the Housing Trust. Press reports indicate there is a three-year wait for rental accommodation. There were two reports in the Adelaide press earlier this year to that effect, and recently the Minister himself, on July 24, went into print. The article was headed "Rush for Housing Trust Homes." The article states that the Minister said that "requests for Housing Trust rental accommodation are also rising"; and also that "the number of applicants for rental accommodation increased 7·5 per cent—from 9 418 to 10 126". Further, he indicated that during 1973-74 there was a growing shortage of low-rental accommodation in the private sector for families on modest incomes".

So the situation is beyond dispute. Of all the things that people on low and modest incomes need in our society, the uppermost problem they face is housing. It is an important issue to them and should be an important issue to the Government, and indeed to the whole State.

In this situation, what is the attitude of the Government and the Minister? These people, as I have endeavoured to stress, should be the Minister's first consideration. This Government should accept that philosophy, because it has always claimed that it gives priority to the low-income man, to the battler, to the family that cannot, owing to its financial position, help itself as much as it normally could.

We have heard this Government expound that philosophy. Indeed, the Party forming the Government has in the past always supported that view. However, that claim is made a mockery of when we see the admission made in this Council yesterday, when the Government admitted that it believed in a flexible policy in meeting the demand for rental accommodation; it admitted that some tenants, irrespective of their income, were permitted to continue and, irrespective of how long they had been living in those houses, they were allowed to continue as tenants, and were accepted as such. That situation is accepted while a waiting list remains of the proportions I have described.

Indeed, that queue is getting longer; the demand for rental accommodation is increasing while this Government permits that situation and says, in effect, "We believe in flexibility in regard to our tenants and we do not want to introduce a strict means test to give away that flexibility and make way for some people who cannot by any other means obtain adequate housing."

I believe so strongly about this that I say that a Government that adopts that policy is not fit to govern. And that is not all. The worst feature of this whole business has been revealed in the reference to the claim that people on low incomes here in South Australia, if they alone are given housing, will create ghettos, by being grouped together. What does that word mean? I checked in the *Concise Oxford Dictionary*, where the definition is "Jews' quarter in city".

I then went to *Webster's Dictionary*, and found the following definitions: "a quarter of a city in which the residents are chiefly Jews; a quarter of a city in which members of a minority racial or cultural group live especially because of social, legal, or economic pressure". Then reference is made to Negroes and Chinese, and later there is an alternative definition "an isolated or segregated group". The definition goes on to explain that these people are in an economic condition which "forces them to live in some cheap section". Apart from the literal meaning of the word, it conjures up in many honourable members' minds a most distasteful meaning: it conjures up slum conditions, poor living and social standards, and a situation in which knives are carried by people, both young and old.

That is the picture that this Government, which is supposedly in office to help the small man on a low income, painted to me yesterday when it gave its reasons for keeping such people in the queue, while it admitted that its policy regarding those people already living in Housing Trust houses was flexible, others on high incomes being permitted to remain in such houses.

The Minister said (and this was clear, as I read what he said) he believed that, if the Government did not continue with this policy, it would "tend to create ghettos". Time will not permit a full debate on this matter. However, I call on the Government to retract that reference and to show some faith in and respect and decency towards low-income earners in this State who are awaiting Housing Trust houses and who are also standing on the sidelines reading about and observing the Government's attitude on this matter, as shown by the reply to the question.

Let me tell the Government (and I am doing so because apparently it seems to despise this sort of person) that income and money do not constitute the yardstick by which it should judge the citizens of this State. Sociological undesirable consequences (the words the Minister used) derive from far deeper reasons than income and money. Generally, of course, those reasons are based on moral issues. One such reason is when a Government favours its citizens who have wealth at the expense of those who have not, and that is what is happening here.

It is unbelievable to me that this Government should support a policy which does not come down on the side of the low-income earners who want housing but which favours others at the expense of those with modest means. Who are these 10 126 applicants (the number given to the press by the Minister) who are in the queue, and who are people receiving low incomes who, according to the Government, would be the cause of ghettos being established if they were helped by the Housing Trust at the expense of those people on high incomes who are occupying trust houses?

They are the newly-married couples and, of course, their incomes are low. They are young people and, if a wife is not working (and in some cases it is impossible for her to do so), the family's income is relatively low because of the age of the couple. At the other end of the scale, there are the large families that are battling to keep their children together and to maintain their families as happy social units. However, because of the wage of the breadwinner, these people come within the category of low-income families. Then there are the single people and the middle-age couples whose incomes are not high. It is as simple as that.

Is the Government saying that any of these groups to which I have referred will, because of the structure of their income and the size of their modest means, be the cause of ghettos being established if they are provided with houses? Does the Government really believe, if it is not a question of income, that all these people are of such a bad character that they will be the cause of ghettos being established?

What does the average citizen think about this whole situation? He knows, or should know, that he is financing the whole Housing Trust programme. I now refer to a press report of February 19, 1974, when the Minister publicised the fact that the Housing Trust was to increase its rentals. Under the heading "30 000 tenants in South Australia to pay more", the report states:

The Minister of Housing, Mr. Hopgood, said that the trust had operated its rental scheme at a substantial loss for the past three years.

The Minister therefore admits that the trust is operating its rental scheme at a loss. This therefore means that the average citizen is subsidising its programme.

The Hon. R. C. DeGaris: That's right.

The Hon. C. M. HILL: And who is the average citizen? It is everyone who pays taxation. It does not matter whether the money comes from the Commonwealth Government under the Commonwealth-State Housing Agreement or from any other form of Government grant: it is the people's money, and I stress that.

Therefore, the ordinary man in the street who sees a person on a high income living in a Housing Trust rental house for, say, 10 or 20 years and paying only a moderate rental is indeed a most dissatisfied citizen, especially when he finds that his own money is being used to keep such person in that accommodation. That is a most relevant point in this whole argument. For the sake of the record, I refer again to the same press report to highlight the situation regarding the amount of trust rentals. The report continues:

The South Australian Housing Trust yesterday—

and I remind honourable members that the report was dated February 19, 1974—

announced rent increases from 50c to $1·50 a week. The increases will affect 30 000 tenants.

Later, the report continued:

The 50c increase will apply to residents paying $10 to $12·50 weekly rent. For those paying $8 to $10, the increase will be $1, and people paying less than $8 will be asked to pay $1·50 more.

I am not in any way suggesting that people on low incomes, whose predicament is sincere and genuine, should not enjoy the benefit of low rentals. I am simply quoting these figures to put the whole matter in perspective, because some of the people to whom I have referred and who are undoubtedly receiving high incomes are paying rents at or around the figures mentioned in the report to which I have just referred.

I am not advocating that such people should simply be put out on the street after 14 days or 28 days notice. However, surely the Government, which has a complete and intimate knowledge of this whole situation, could have a policy that, after a period of, say, 10 years, if the income of such people reached $9 000, $10 000 or $15 000 (just plucking those figures out of the air), notice ought to be given to them that it was time (and they should be given adequate time) they stepped to one side and made way for people receiving only low incomes who were on the street without housing.

The latter would then be able to enjoy the benefits that the former had enjoyed when they first entered their houses, and when, undoubtedly, they would have been receiving low incomes. The former tenants would have enjoyed the benefits of Housing Trust rentals for a period of up to, say, 10 years. This ever growing queue of more than 10 000 people should be given a quicker opportunity to enjoy the housing that those other people have enjoyed. Indeed, a review of the whole situation every five years would not be unreasonable. Let us take the unique case of a Housing Trust tenant who wins $100 000 in a lottery.

The Hon. R. C. DeGaris: It is not taxable, is it?

The Hon. C. M. HILL: No, not even as a capital gain; and this highlights the injustice involved. It is that injustice to which the Government should give attention, instead of replying that it must maintain its present policy and claiming that, if it helped all the unfortunate people in the queue, ghettos would be established. I want to be constructive in regard to this matter. A periodic review will ensure that this state of affairs does not continue.

The Government's policy in turning its back on people on modest incomes and in some cases favouring the big man at the expense of the worker is evidence to me that the Government has been in office too long. After four and a half years it has got its priorities completely out of focus. It should therefore change its policy forthwith and bend over backwards to help people who cannot get satisfactory accommodation elsewhere.

Even more important is the deeply human issue involved. It is an insult for the Government to claim that those in the queue, if given priority, would create ghettos. That statement should be withdrawn; the Government should apologise for it and assure South Australians that these people form a respected section of the community for whom the Government intends to do everything possible as soon as possible, to help them in their need for adequate housing.

The Hon. R. C. DeGARIS (Leader of the Opposition): I think every honourable member would agree that people on high incomes should in most situations be responsible for providing their own housing. In saying that, I know that there are variations to that philosophy. For example, in the establishment of new industrial areas, a company or a consortium may be seeking expert workers from overseas or other States; in these circumstances it is necessary to provide those workers with good housing. It is not always possible for such workers to build houses in the new industrial areas; the time lag and other factors come into it. So, in some special circumstances the Government should be involved in providing houses for people on higher incomes, but in most cases the principle stands that people above a certain income should be responsible for providing their own housing.

In the Loan Estimates this year we have seen that there will be reduction in the number of houses that the South Australian Housing Trust will build for sale, and there will

be an increase in the number of rental houses that the trust will build. There may be a number of factors bearing on this matter, and I appreciate that, if the Redcliff project and Monarto proceed, it will be necessary to build a considerable amount of rental housing. Nevertheless, if one examines the Loan Estimates one sees that since the Government has been in office there has been a tendency for it to produce rental housing, as opposed to housing for sale.

The point made by the Hon. Mr. Hill is very important. We know that in South Australia many people who are living in Housing Trust accommodation should, in my opinion, be responsible for providing their own housing. These people are keeping out of Housing Trust accommodation other people who are in desperate straits and need cheap rental accommodation. Every honourable member has recently received letters from constituents drawing attention to their plight in this regard. These letters point out that a widow with school-going children, living in poor accommodation and paying $20 a week for it, needs and deserves a Housing Trust house, but she will find that there is a wait of four years or five years.

A letter recently received by an honourable member pointed out that, in reply to an application made to the Housing Trust last May, it was stated that there would be a four-year wait for suitable rental accommodation. These cases are urgent, and I believe that the original intention behind the establishment of the Housing Trust is not being fulfilled at present because of what is called a flexible policy. I wish to refer to a speech made in 1936 by the Hon. R. L. Butler on the first Housing Trust Bill.

The Hon. C. R. Story: He was a Liberal member, wasn't he?

The Hon. R. C. DeGARIS: Yes. The Hon. Mr. Butler said (1936 *Hansard*, page 2312):

The functions of the trust will be to provide dwellinghouses. There will be two types of houses, namely, those included in group A, and those included in group B. The houses of group A will be designed for families in receipt of the basic wage and margins, while those in group B will be designed for persons on lower incomes. There will be a separate fund for each group of houses. The Housing Trust Fund No. 1, from which houses of group A will be financed, is to consist of moneys borrowed by the trust from the Treasurer, or from the public. These moneys will be used in the construction of houses, the total cost of each house not exceeding £450. This total cost is to include the cost of fencing and sewerage.

The first intention was to produce houses for families on the basic wage plus margins, or those on lower incomes.

The PRESIDENT: Order! Call on the Orders of the Day.

SUPERANNUATION ACT AMENDMENT BILL

Read a third time and passed.

EXPLOSIVES ACT AMENDMENT BILL

Read a third time and passed.

WRONGS ACT AMENDMENT BILL

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

APPROPRIATION BILL (No. 2)

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

FROZEN FOOD FACTORY

The PRESIDENT laid on the table the report by the Parliamentary Standing Committee on Public Works, together with minutes of evidence, on Centralised Frozen Food Factory, Dudley Park.

ARBITRATION ACT AMENDMENT BILL

In Committee.

(Continued from September 18. Page 1004.)

Clause 3—"Certain agreements to be void"—which the Hon. R. C. DeGaris had moved to amend by striking out subclause (2) and inserting the following new subclauses:

(2) An agreement—

(*a*) to submit to arbitration a claim, difference or dispute arising out of an agreement for the performance of major building work; or

(*b*) to submit to arbitration a claim, difference or dispute where the circumstances on which the claim is based have occurred, or the difference or dispute has arisen, before the agreement is made,

shall not be rendered void by the provisions of subsection (1) of this section.

(3) In this section—

"building work" has the meaning assigned to that expression by the Building Act, 1970-1971:

"domestic building work" means building work in relation to a dwellinghouse or proposed dwellinghouse or the curtilage of a dwellinghouse or proposed dwellinghouse but does not include any such building work where the consideration for which it is to be performed exceeds in amount or value fifty thousand dollars:

"major building work" means any building work except domestic building work.

The Hon. A. F. KNEEBONE (Chief Secretary): I have looked at the amendment, and I have no great objection to it. The only part to which I object is the amount referred to in new subclause (3). I do not think $50 000 is a sufficiently high figure. I think I told the Leader that if he had raised the figure to $75 000 I might have been able to accept it. In the circumstances, I do not see that I can accept it, so I oppose the amendment.

The Hon. R. C. DeGARIS (Leader of the Opposition): I thank the Chief Secretary for his views, and I take it from his reply that he is not opposed to the principle of the amendment.

The Hon. A. F. Kneebone: No.

The Hon. R. C. DeGARIS: He says that $50 000 is too low, and the Government would be willing to accept $75 000; therefore, we are disagreeing not in principle but rather as to where the line should be drawn. I am tempted to accept the Chief Secretary's offer, but in this area we are defining domestic building work.

The Hon. A. F. Kneebone: Values are rising all the time, and this will be inserted in an Act.

The Hon. R. C. DeGARIS: I understood there was a fight against inflation and that the Government was doing all it could to combat inflation, with a certain amount of success. My amendment includes a definition of "domestic building work", and it has been established that the Government does not disagree to the general principle of the amendment. I claim that $50 000 is a reasonable sum and that, if one goes beyond that, it is outside the scope of what could be defined as domestic building work. Very few houses cost $50 000. If a contract is for $50 000, that would exclude soft furnishings, land, and probably earthworks before the building commenced. It is a fair figure. In the second reading debate, I mentioned a figure of $30 000 and then added "or $50 000". My amendment takes the higher of the two figures, and I shall adhere to the figure in the amendment as being a reasonable sum. I ask the Committee to support the amendment.

Amendment carried.

The Hon. A. F. KNEEBONE: I move to insert the following new subsection:

(4) This section does not apply to—

(*a*) an agreement entered into before the commencement of the Arbitration Act Amendment Act, 1974; or

(*b*) a submission in respect of a claim, difference or dispute of a kind that is not justiciable by a court.

New subsection (3) (*a*) seeks to clarify the situation referred to by the Hon. Mr. Burdett, and new subsection (3) (*b*) answers the question raised by the Hon. Sir Arthur Rymill concerning any difference between a landlord and tenant about what is a fair rent under a lease. New subsection (3) (*a*) provides that the Bill will not invalidate arbitration agreements entered into before the commencement of the amending Act. New subsection (3) (*b*) provides that the Bill will not invalidate an arbitration agreement where it relates to a matter that is not justiciable before a court, for example, an agreement to submit to arbitration between a landlord and tenant as to what is a fair rent under a lease.

The Hon. F. J. POTTER: I support the amendment.

Amendment carried; clause as amended passed.

Clause 4 and title passed.

Bill reported with amendments. Committee's report adopted.

MOTOR FUEL DISTRIBUTION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 18. Page 1005.)

The Hon. J. C. BURDETT (Southern): I support the second reading of this Bill. When the principal Act was before this Council last year, we were led to understand that it was unlikely that it would ever come into operation, yet less than 12 months later we are being asked to amend the legislation because of difficulties that have arisen in practice. On November 7, 1973, in a debate on the principal Act, at page 1615 of *Hansard* the Chief Secretary stated:

During the discussions with representatives of the oil companies concerning the preparation of this Bill, it seemed that it still might be possible for all the companies to agree among themselves as to an effective voluntary arrangement that will achieve substantially the same objects as proposed by this measure. The Government is willing to permit such a voluntary arrangement to operate while all oil companies agree to observe it. However, the Government considers that this Bill should be proceeded with so that it will be on the Statute Book, and should the voluntary scheme prove ineffective it can be quickly brought into operation. If this Bill serves no other purpose, it will ensure that those companies that co-operate in the voluntary scheme will not in the future be disadvantaged by their co-operation.

The Bill has another purpose, in that the Act has had to be brought into operation. It is now in operation, and applications for licences have been called and are now being processed. The Bill serves even another purpose, too, in that it shows that this Council should not pin too much faith on predictions of this kind. We understood that the Bill when enacted was likely merely to remain on the Statute Book in case it was necessary to use it. However, less than 12 months later, we are being asked to amend it because of difficulties which have arisen in practice. This situation should serve to remind us that we have a duty to review and examine every Bill that comes before us. Honourable members should not be deterred from their task simply by predictions that a Bill will never be used or applied. Honourable members are responsible to see that every Act on the Statute Book is a good Act.

The Hon. C. R. Story: Do you think this is being done so that the Government can introduce a petrol tax?

The Hon. J. C. BURDETT: I have no idea.

The Hon. D. H. L. Banfield: What are Victoria and New South Wales doing about that?

The Hon. J. C. BURDETT: I have no idea about the correct answer to the question asked by the Hon. Mr. Story, but he may well be right. I have carefully examined this Bill. It does only the two things set out in the Minister's explanation; first, in effect it extends the period for applying for a licence from September 30, 1974, to January 1, 1975, and, secondly, it protects the interests of existing lessees and other holders of an interest less than the fee simple in the premises in question.

Regarding the extension of time, the Hon. Mr. Geddes has pointed out to me that at page 12 of today's *News*, an advertisement has been published under the Act, publicising the necessity for those involved to apply for a licence, and indicating that the closing date for applications is September 30, 1974. I have noted from time to time that members of Parliament are criticised by the public for reading newspapers, whenever members of the public are in the gallery. Perhaps my reference to this matter will prove that sometimes, in looking at the newspapers, honourable members are looking at matters applying to legislation before them. This was what has occurred on this occasion, anyway.

The system set up by the principal Act is that the licence is to be applied for by the owner of the premises. I suppose that in most cases the person who actually operates the fuel outlet is not the owner of the premises. In many cases the premises are owned by an oil company, and the purpose of the Bill is to provide that, where the owner does not apply for a licence or a permit, whether as part of an attempt to extort money from an operator or otherwise, the lessee may so apply (and other subsidiary interests may be recorded), and that recording gives certain protections.

It is to be noted that it is only existing leases and other existing subsidiary interests that are protected. Such interests that arise in the future receive no protection. Clause 3, which enacts new section 17a, is important, because it provides that the holder of an existing lease or other existing interest may have his interest recorded. Clause 13 provides that subsequently the board shall not accept the surrender, for example, from the owner, unless it is satisfied that acceptance will not prejudice the prescribed interest of the holder thereof. As the Bill protects only the interest of existing lessees or other persons having an interest, if the lessee sells his interest, the incoming lessee will not have this protection.

It has been explained that this is equitable because because people who become lessees or operators after this Act has come into force will know what they are letting themselves in for. There is some merit in this. However, people who want to become lessees or operators in the future will not have much option. Their plight will be that they will be at the mercy of the owner. However, I am pleased that this Bill will give protection at least to existing lessees and operators. I agree with the Hon. Mr. Gilfillan when he said that most lessees and operators are industrious and hard-working people. I favour giving them all the protection we can.

Finally, I note the advantage that a lessee or an operator that is a private company, and therefore incorporated, will have over a lessee or operator who is simply what the law calls a natural person. When the lessee who is a natural person sells his business, the purchaser will not have the protection of clause 3. Where the lessee is a company

and the natural person who is, in effect, the operator wishes to sell, he can simply sell his share in the company to the proposed new operator. The lessee in law will remain the same as the company, and thus will retain the registered interest and his protection under the new section 17a. If, by pointing this out, I have helped any existing lessee, I am only too pleased to have done so, because generally they deserve all the protection they can get. I support the second reading.

The Hon. C. M. HILL secured the adjournment of the debate.

NATURAL GAS PIPELINES AUTHORITY ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from September 18. Page 1006.)

The Hon. B. A. CHATTERTON (Midland): I support the Bill. I also support many of the remarks made by the Hon. Mr. Springett yesterday in this debate. I think he is right when he says that perhaps we are worrying unduly about where the ship is going and not about the fact that the ship is actually sinking. I endorse his remarks that we need to look very much at new types of energy—solar energy, tidal energy, geothermal energy, and so on—but I do not want to elaborate on that.

The other need is to conserve our present energy resources. We have had the situation in the past where we have used those resources wastefully. In fact, we have encouraged people to use energy in many ways. For instance, in South Australia, the South Australian Gas Company advertises gas, and naturally the obvious intention of that advertisement is to encourage people to use more gas. However, that is probably not as bad as it is in the United States, where all energy resources are heavily advertised and their use is increasing faster than in most countries of the world.

The tariff rates charged for various types of energy encourage excessive use. Here, I quote the Electricity Trust of South Australia, which, on domestic tariffs, for the first 45 kilowatt hours a quarter charges 6c a kilowatt hour, but at the end of the consumption rate it charges only 1·9c a kilowatt hour, or about one-third of the amount for the initial kilowatts consumed. The same sort of thing applies to gas, where the initial rate is about three times the final rate. This is a natural type of tariff system where one is applying a simple accounting method to produce tariffs, because in the past the highest part of the cost of energy has been its distribution: that has been more expensive than the coal, oil, or natural gas that produced that energy. Therefore, it is a simple accounting procedure because, with these high overhead costs, the greater the number of units used, the cheaper the cost becomes. It is passed on to the consumers, so that the initial units used are more costly than the later units used, which means that, the more units one uses, the more the price drops.

With the energy crisis now facing us (and it will face us for the next 10 to 15 years) we shall have to educate the public on the shortage of energy. One way to do that is by gradually changing the tariff system until eventually we should reverse it completely and people should be charged for using a certain amount of energy, and then should pay excess rates for the amount of energy used over and above that basic allowance. That is something similar to the present water rating system—for example, the irrigation water used on the Murray. A system is adopted there whereby people are being given a basic quota of water and, over and above that, for a certain percentage, they pay double the rate, and then four times the rate.

The Hon. R. C. DeGaris: Are you advocating an industrial rate the same as the home consumption rate?

The Hon. B. A. CHATTERTON: No. There is a big problem with the industrial rate. I am advocating this system for the domestic consumption of energy, but it cannot be done suddenly: it will have to be done gradually, in co-ordination with an education campaign, to reverse the system so that the consumer pays a rate for a basic amount of power and then pays an excess usage rate over and above that.

The Hon. Jessie Cooper: It would not go well with water rates in Davenport.

The Hon. B. A. CHATTERTON: In what I am advocating, there are difficulties when one tries to apply the same principle to other forms of energy that we use. I am thinking now particularly of motor vehicles: I cannot see that we could apply the same principle there; it would be unfair to give motorists a ration of so much petrol at one price and stipulate that further quantities of petrol would be obtainable at other prices. That would be open to many abuses and would be impossibly difficult to administer. We should be encouraging the designers of motor vehicles to make them more economical in their use of fuel. This could be done through the registration system: a different basis of registration could be developed whereby vehicles that were using unnecessarily large quantities of petrol would pay higher registration fees. These sorts of things are being looked at in other countries, and I believe we should be developing similar ideas here.

That covers generally my ideas about conserving energy and trying to make people more aware of the fact that our energy resources of fossil fuels are running out. We shall have to take action over the next few years to conserve them.

The Hon. C. W. CREEDON secured the adjournment of the debate.

EGG INDUSTRY STABILISATION ACT AMENDMENT BILL

Returned from the House of Assembly without amendment.

ADJOURNMENT

At 3.46 p.m. the Council adjourned until Tuesday, September 24, at 2.15 p.m.