

**LEGISLATIVE COUNCIL**

Wednesday, July 14, 1971

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

**QUESTIONS****LAND TAX**

The Hon. R. C. DeGARIS: I seek leave to make a short statement prior to asking a question of the Chief Secretary, representing the Treasurer.

Leave granted.

The Hon. R. C. DeGARIS: In His Excellency's Speech yesterday, reference was made to the Land Tax Act. As we appreciate, there is considerable concern in country areas about the assessment that was adopted. Can the Chief Secretary indicate the Government's intention in regard to this assessment and does the Governor's Speech refer to the rural assessment for land tax purposes?

The Hon. A. J. SHARD: I can give a short answer and say "Yes", but my understanding of the position (and I think I am correct) is that, since the last assessment, particularly in the rural areas, of land tax being made, in some areas there has been a considerable reduction in the value of land. The Government is having the position examined with a view, if need be, to bringing down amending legislation to correct that position. I understand that the doubt expressed by the Leader to me previously was that it might be thought that there might not be a need for amending legislation. My understanding is that there will be, in order to correct the position where an assessment was made on land of high value to reduce that assessment to accord to present-day values.

The Hon. R. A. GEDDES: In view of the need for primary producers to assess their budget requirements for the coming 12 months, will the Chief Secretary ask the Treasurer whether he can give a guide as to the anticipated reduction in land tax assessments that was announced in His Excellency's Speech?

The Hon. A. J. SHARD: I do not know how soon such information will be available but I will take up the honourable member's question with my colleague and find out whether it is possible to give a reply.

The Hon. M. B. CAMERON: Will land tax payable in this coming year be based on the 1965 assessment, the 1970 assessment or the proposed 1971 assessment?

The Hon. A. J. SHARD: I am unable to reply to that now. I will refer the honourable member's question to the Treasurer and get a reply.

**EGGS**

The Hon. C. R. STORY: I ask 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: Recently, the Ministers of Agriculture throughout Australia, under the chairmanship of the Commonwealth Minister for Primary Industry, met in Canberra as the Agricultural Council. Can the Minister say whether any progress has been made in regard to production control in the egg industry? I understand this matter was to be discussed at that council meeting. Also, can he assure me that the producers will be given an opportunity by poll to express their opinions on whether they desire production control?

The Hon. T. M. CASEY: The situation at the recent Agricultural Council meeting in Canberra regarding the control of egg production was that New South Wales and South Australia had put this matter before their Cabinets, and their Cabinets had agreed. The Minister for Primary Industries in Queensland indicated that his Cabinet would be sympathetic, and agreed that on his return to Queensland he would put the matter before it. The same situation applied in Tasmania, but the Victorian Minister was very reluctant to do this. I have been informed by Mr. Row, the Minister for Primary Industries in Queensland, that he has put the matter before Cabinet and it has been agreed to. I have not yet heard from Tasmania, and I do not expect to hear anything from Victoria until the other States have agreed. Already legislation of this nature has been enacted in Western Australia, where independent action was taken last year. I can assure the honourable member that before any control on egg production is implemented in any State a poll of growers will be conducted.

**NEW LOCOMOTIVES**

The Hon. C. M. HILL: I ask leave to make a statement before directing a question to the Minister of Lands representing the Minister of Roads and Transport.

Leave granted.

The Hon. C. M. HILL: In the press of June 26 last an article appeared under the heading "Union Attack on Virgo", part of which read as follows:

The Labor Minister of Transport (Mr. Virgo) has been attacked in an "executive statement" in the official organ of the Australian Railways Union (South Australia branch). The *Railway Review*, in an article entitled "The Performance of a Transport Minister", says: "It is evident that Minister Virgo would prefer to use the heavy hand against those who work to elect Labor Governments than take them into his own confidence. For many years the ARU and many of its members worked hard, contributed large sums of money towards the election of a Labor Government, in the hope that a sympathetic Minister of Transport may improve conditions in an industry with working conditions far from ideal. If the performance of the present Minister is any indication, railwaymen will have to look elsewhere for such improvements."

Shortly afterwards I was approached by members of the Australian Federated Union of Locomotive Enginemen, the other large railway union, who expressed concern over the braking system on the first of the six new diesel locomotives which, as was announced in the press on June 22, had been put into service. The press article on that date said that the engines developed 400 h.p. more than the normal locomotive and hauled a load 50 per cent greater. So that I can inform these men of the position, I ask the Minister: have braking difficulties arisen in the first of these new locomotives; if so, what remedial action has the Commissioner taken?

The Hon. A. F. KNEEBONE: I will be pleased to convey the honourable member's questions to my colleague and bring back a reply as soon as possible.

#### FLAMMABLE CLOTHING

The Hon. V. G. SPRINGETT: My question is directed to the Minister representing the Minister of Labour and Industry in another place. From time to time there is comment in the paper regarding flammable material and clothing. What is the present attitude and intention of the State Government regarding the control of materials used, especially in making children's night dresses?

The Hon. A. F. KNEEBONE: I know what the honourable member is referring to—it is the Textile Products Description Act. The matter comes under the jurisdiction of the Minister of Labour and Industry. When I held this portfolio, the State Ministers of Labour and Industry had conferences on this matter. I do not know what the exact position is at present, but I shall ask my colleague what it is and bring back a reply for the honourable member.

#### UNDERGROUND WATER

The Hon. R. C. DeGARIS: I seek leave to make a short statement before asking a question of the Chief Secretary, representing the Minister of Mines.

Leave granted.

The Hon. R. C. DeGARIS: I think every member of Parliament appreciates the difficulties faced by people in the Adelaide Plains in regard to underground water supplies. I also think that every member appreciates the need for conservation of underground water resources in that area. The previous Government was faced with problems in this connection. One of the committees formed to examine this question was a sociological committee, which was required to examine the sociological implications of restrictions on the use of underground water. I thought the committee was a high-powered one. Consequently, will the Chief Secretary ask his colleague what progress the committee has made in examining the problem?

The Hon. A. J. SHARD: I will be pleased to refer the Leader's question to my colleague.

#### DEEP SEA PORT

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

Leave granted.

The Hon. C. R. STORY: Some time ago it was announced that Port Lincoln would be the next deep sea port in South Australia, and shortly afterwards the Government referred the matter of a second deep sea port to a committee. Can the Minister say whether that committee has issued its report and, if it has not, can he say when the committee will do that?

The Hon. T. M. CASEY: I will refer the honourable member's question to the Minister of Works and ask him for a considered reply.

#### FREEWAY

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

Leave granted.

The Hon. C. M. HILL: Recently there has been publicity concerning the possible acceptance of a freeway route along the eastern parts of the park lands, possibly passing within them. I believe that the proposed route passes close to Hackney Road and Dequetteville Terrace and that parts of the Botanic Garden and Rymill Park will be affected. Apparently this route is an alternative to an easterly route that had

previously been put forward. I believe also that some period for public objection to the State Planning Authority expired on the ninth of this month but that the matter must still go before the Minister and the Government for final approval.

The uneasiness of the public was highlighted in a leading article in the press yesterday. My questions about this matter are these: What is the exact stage that has been reached regarding the choice of this new transportation route and, secondly, will the Minister undertake to publicize the proposal so that the public can be fully informed of any portions of the park lands that are affected in this new scheme?

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.

### RURAL ASSISTANCE

The Hon. M. B. CAMERON: Can the Minister of Lands say whether the committee for rural reconstruction has the power to declare a moratorium on debts held by unsecured creditors? Secondly, will those creditors be asked to write off all or portion of the debt, or could the Minister see the circumstances arising in which this could happen? Thirdly, will the committee take into account the financial circumstances of the storekeeper or business house involved in the debt? I refer particularly to the smaller stores in the Murray Mallee.

The Hon. A. F. KNEEBONE: The honourable member asked first whether the committee would have power to declare a moratorium on debts held by unsecured creditors. The situation is that no moratorium will be declared on any type of debt. Protection certificates are only a temporary measure issued by me, on a recommendation from the committee, to immediately halt any creditor from foreclosing on a farmer whose application for rural reconstruction assistance is being processed by the department and by the committee. Protection certificates are not intended as a long-term measure. A farmer applying for rural reconstruction assistance may also apply for a protection certificate. Any such certificate would apply only for the period during which his application for assistance was being examined and processed by the Rural Industry Assistance Committee.

If that committee recommends to me that the farmer is not eligible for assistance and his application is rejected, the protection certificate is immediately withdrawn, and the normal

processes between creditor and debtor will proceed. An applicant who was successful in obtaining assistance would have his debts sufficiently readjusted to satisfy his creditors. This mainly applies to secured creditors. The reconstruction of the debt would be undertaken for the purposes of reducing the annual commitment. If a farmer can then become viable in a reasonable time through the assistance provided by the scheme, carry-on finance that will be provided will, in some degree, take care of those unsecured creditors the honourable member has referred to.

The honourable member then asked whether the financial circumstances of the storekeeper or the business house involved in a debt would be investigated. The answer is that I would not think so. After all, the scheme is designed to keep a farmer or pastoralist in business. Although we are not looking directly at the financial position of the storekeepers and people in business houses, they will be helped as a result of the assistance given to the farmers and pastoralists. If my reply does not go far enough for the honourable member, he may approach me again, when I will supply him with further information.

### AGRICULTURAL EDUCATION

The Hon. C. R. STORY: Will the Minister of Agriculture say whether the Agricultural Education Committee has submitted its report to him and, if it has, what progress has been made regarding its recommendations? If it has not submitted its report, will the Minister say when he expects the committee to do so?

The Hon. T. M. CASEY: I am pleased to be able to inform the honourable member that the Agricultural Education Committee has submitted its report to me, and that report is now in my hands. I have sent a copy of it to the Minister of Education, who is as deeply involved in this matter as I am. He is at present diligently studying the committee's report, which is in many ways a most complicated one, and I hope that a report can be brought down soon.

### YORKE PENINSULA HOSPITALS

The Hon. E. K. RUSSACK: I seek leave to make a short statement prior to asking a question of the Chief Secretary.

Leave granted.

The Hon. E. K. RUSSACK: In reply to a question I asked on November 12 regarding an investigation that was made in January, 1970, into the development of hospital services in the northern Yorke Peninsula area, the Chief Secretary said:

The committee has completed investigations, and a report, which is being finalized, is expected to be made to the Government in the near future.

Because of the time that has elapsed since the committee sat, development of hospital needs in the district has been hindered. Will the Chief Secretary therefore say, first, whether the committee's report has been finalized; secondly, whether any Government decision has been taken on the report; and, thirdly, if it has, whether such a decision or decisions will be made available soon?

The Hon. A. J. SHARD: The answer to the honourable member's first question is "Yes"; the answer to his second question is "No"; and, in reply to his third question, my departmental officers have considered the report and I, too, have read it. I think we are about ready to make a recommendation to Cabinet, and I hope soon to be able to inform the honourable member of the complete outcome of the inquiry.

#### **RURAL YOUTH CENTRE**

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

Leave granted.

The Hon. L. R. HART: Last year I asked one or two questions of the Minister of Agriculture regarding the building of a rural youth centre at Northfield, when the Minister said that the matter was subject to consideration by the Parliamentary Standing Committee on Public Works and that, in due course, he would be able to report back to the Council on that committee's recommendations. Is the Minister able to say what the present position is regarding the construction of a rural youth centre in conjunction with the building of an Agriculture Department complex at Northfield?

The Hon. T. M. CASEY: I can only say that this matter is still being considered by the Public Works Committee.

#### **TRAMWAYS TRUST**

The Hon. C. M. HILL: I ask leave to make a short statement prior to directing a question to the Minister of Lands, representing the Minister of Roads and Transport.

Leave granted.

The Hon. C. M. HILL: Some time ago the Municipal Tramways Trust decided to take over some private bus routes in metropolitan Adelaide. Deep concern was expressed to me by bus operators, who naturally resisted such inroads into their areas of operation. Of all their worries it seemed to me that the gravest

one centred around compensation. I now seek some clarification of the position. Is the Tramways Trust proceeding with its plan to take over some private bus services; if so, which services are involved and what compensation does the Government intend to approve for such acquisition?

The Hon. A. F. KNEEBONE: I shall be pleased to take the honourable member's question to my colleague and bring him back an answer as soon as it is available.

#### **NORTH-EASTERN COMMUNITY HOSPITAL**

The Hon. R. C. DeGARIS: I direct the following question to the Chief Secretary: can he tell the Council what subsidy policy was offered to the North-Eastern Community Hospital?

The Hon. A. J. SHARD: It is a rather complicated case. I do not want to convey wrong impressions. I should prefer to give a full detailed report on it, but briefly the position is that the subsidy is greater than the usual \$2 to \$1 subsidy that the Government provides to people building a completely new hospital. However, I should prefer to supply a written reply and state the position exactly because of the complications caused by the involvement of outside bodies. I should not like to give an answer off the cuff because I could inadvertently mislead people, and I do not want to do that.

#### **ADDRESS IN REPLY**

The Hon. A. J. SHARD (Chief Secretary) brought up the following report of the committee appointed to prepare the draft Address in Reply to His Excellency the Governor's Speech:

1. We, the members of the Legislative Council, thank Your Excellency for the Speech with which you have been pleased to open Parliament.

2. We assure Your Excellency that we will give our best attention to all matters placed before us.

3. We earnestly join in Your Excellency's prayer for the Divine blessing on the proceedings of the session.

The Hon. D. H. L. BANFIELD (Central No. 1): I move:

That the Address in Reply, as read, be adopted.

I congratulate His Excellency Sir James Harrison on the manner in which he delivered his Speech. The people of South Australia,

I know, join me when I say that we are pleased that His Excellency has made a good recovery from the illness that prevented him from opening Parliament on July 14 last year. We sincerely trust he will continue in good health for many years to come, enabling him to serve the State with the same enthusiasm that he displayed before his illness.

His Excellency referred, with regret, to the death of the Hon. Sir Collier Cudmore, the Hon. Colin Rowe and Mr. John Cowan, who were all former members of this Council. He also referred to the death of Mr. Samuel Lawn, who was a member of the House of Assembly for over 20 years. And, Mr. President, you yourself have also referred to the death of these gentlemen who gave many years of good service to this State. I join with His Excellency, yourself, and all other honourable members of this Chamber in expressing appreciation of the services given to South Australia by these gentlemen over many years and I extend my deepest sympathy to their families.

At the end of last session, word got around of the impending retirement of Sir Norman Jude, and a number of honourable members took the opportunity publicly of wishing Sir Norman a long and happy retirement from public life, having given over 26 years' service to the State as a member of this Chamber, including 12 as a Minister of the Crown. Now that Sir Norman's retirement has come about, I, too, wish him and his wife many happy years of retirement and I thank Sir Norman for the many ways in which he assisted me during my early days in this Chamber.

I congratulate the Hon. Martin Cameron on his election as a member of this Council and look forward with keen interest to see whether the publicity that preceded his entry into this Chamber was warranted or whether a certain amount of it was only a bit of kite-flying indulged in by the press. There is no doubt that the honourable member has probably created more publicity for this Council than the Council has achieved for many years. I look forward to some interesting debates in the future.

I also congratulate Mr. Jack Wright, who was elected as the member for Adelaide in another place. I know that Jack will be a worthy member for that district and that it will not be long before he builds up the same personal following that was enjoyed by the late Sam Lawn. I feel that, as a result of that election, the Opposition was robbed of its hoped-for opportunity to point to the result

as showing that the Government no longer had the support of the people of this State; that opportunity, of course, did not arise.

No doubt, some honourable members will attempt to read all kinds of things into the figures of the by-election for the seat of Adelaide, but let them first remember that the Australian Labor Party did get 59 per cent of the formal votes cast; also, there were 874 fewer votes against the A.L.P. candidate compared with the 1970 elections. This compares with just over 36 per cent of the formal votes cast for the Liberal and Country League. So I put it to the Leader of the Opposition in another place, who claimed all sorts of possibilities as a result of that by-election (I think he had four or five other seats lost by the Government; I do not know whether he thought he would gain them or that the League of Rights Party or the Australia Party would gain them, or who was likely to get them, but he thought that the Government was about to lose four seats because it had achieved only 59 per cent of the vote) but, if he is happy with the 36 per cent vote for the L.C.L., then we are highly delighted with the 59 per cent vote that we received from the people in that district. It is nice to have both sides happy about that by-election. It is obvious that the Leader in another place forgot to mention the poll in the by-election for the Southern District where, if the same sort of figures had come out in the House of Assembly voting, the L.C.L. could have lost the seat of Alexandra. So, altogether, I suggest that the Opposition had better look at the results of the two by-elections recently held. I hope to see the same result obtained at the next elections, when no doubt we shall continue to achieve well over 50 per cent of the votes of the people of this State.

His Excellency mentions in paragraph 5 of his Speech the Government's actively pursuing its policy to promote development of industry within the State and points out that the Housing Trust will expend a further \$3,000,000 on industrial premises this year. This State, along with the other States, is more and more dependent upon its industrial development, and the Government's actions in appointing agencies in Tokyo, Singapore, Hong Kong and Djakarta, in addition to its activities in other areas, are to be commended. I am sure that with the appointment of a full-time Director of Industrial Development, along with the policy of assistance to industry under the Industries Development Act, this State will shortly be able to gain its fair share of the export market.

I am particularly pleased to see that, while the Government is most anxious to build up industry in this State, it has not overlooked the interests of the workers in industry. During its term of office from 1965 to 1968 the Labor Government made great changes in the Workmen's Compensation Act, making it equal to and in some cases better than the Acts in other States. We recall how far South Australia had lagged behind the other States in this regard under the administration of Liberal Governments, and after the short period during which it was out of office the Labor Government found that the Workmen's Compensation Act benefits had again fallen behind those in other States. This was quickly remedied by the Government in the previous session.

His Excellency's Speech refers to the appointment of a Select Committee of the House of Assembly to examine desirable legislative measures to provide for the safety, health and welfare of persons employed in industry and commerce in South Australia. I hope that, when the Select Committee brings down its report and recommendations, the Government will not be slow to introduce the legislation necessary to implement those recommendations.

I am pleased to see that the Government intends to introduce in this session legislation to amend the present outdated and outmoded Industrial Code. I do not know the contents of such amendments, but I was not in the least impressed by the statement of the Leader of the Opposition in another place, made at the weekend, in which he could not hide his contempt for the trade union movement of this country or by his outright statement that he was totally opposed to compulsory unionism. It is also reported that he is calling upon the Government to resign because of what he says is the Government's action regarding compulsory unionism. I do not know whether he knows more than I on this question, but compulsory unionism is not the policy of the Labor Government; its policy is one of preference to trade unionists. Although that is the Government's policy, I am not personally against any legislation that would make unionism compulsory. I know this goes further than our policy goes, but I cannot see what is wrong with compulsory unionism.

If any members in this Chamber are against the principle of people paying for goods or services sought voluntarily by them, they should say so. If they are lawyers, doctors or land agents, let them tell us of the services they have given free of charge to all and sundry. If they are fruitgrowers, let them say that the fences

around their properties have been taken down so that members of the public can avail themselves free of charge of the goods they have worked over the years to produce. If they are company directors, let them inform people that their services are available to the public without obligation. If they are members of Parliament, imbued with high ideals that services should not be paid for, let them say that they are not receiving payment for their services to the State. When these people are prepared to say such things, I am sure others will follow in their footsteps, but while they expect to be paid for their goods and services (and, indeed, the law is on their side in compelling people to pay), then payment for services given and conditions obtained by trade unions should be made by people who avail themselves of those services.

The trade union movement is simply a co-operative of people contributing certain sums to obtain certain benefits, not for the public outside but for the members who pay for the services. I see nothing wrong with that. If someone wants to enjoy these benefits, he should pay for them. If a person voluntarily enters a store to buy certain things he knows he is compelled to pay for them. If he decides to use public transport or taxis he knows he must pay. If he voluntarily consults a lawyer he knows he must pay for that service. In many cases, lawyers must be paid in advance before they will appear in court. If a man buys goods from a farmer, whether those goods be eggs, wheat or wool or any other commodity, he knows he will be compelled to pay. If he decides that he wants a weekly wage, annual leave, public holidays, sick leave payments, the knowledge that someone is available to see that these conditions continue, and that someone is there to argue his case for compensation for wrongful dismissal, or 1,001 other benefits, I believe he should be compelled to pay for the things he sought when he voluntarily decided that he wanted those conditions. I suggest that, if this is looked at in the light of its being another commodity that must be paid for, members will not call for the resignation of the Government simply because it may be suggested that trade unions should be supported by people who receive the benefits the unions offer.

Members have been aware for a long time of the disabilities suffered by those working in the present overcrowded and outdated premises of the Government Printing Office, and, although there is little complaint about the standard of service at present provided

by the Government Printing Office, it is pleasing to see that tenders have been called for the construction of new premises at Netley. I hope construction will proceed as scheduled during this financial year. The project has been on the drawing board for many years, it has been looked at by several Governments, and I know people working in the Government Printing Office will be feeling happier with the prospect of the project's going ahead during this financial year.

Paragraph 9 of His Excellency's Speech refers to the fact that an agreement has now been reached with the Commonwealth Government for the connection of Adelaide to the Sydney-to-Perth standard gauge rail system. This will be of tremendous value to South Australia, which relies heavily on interstate markets. This Government is to be congratulated on not adopting the report received by the Hall Government. I refer, of course, to the Maunsell report, the adoption of which was canvassed strongly by the former Minister of Roads and Transport. The Railways Commissioner and his officers, together with the present far-sighted Minister, could see that, if the consultants' report was adopted as suggested by the previous Government, it would be a very expensive operation, with some of the State's most important customers receiving very little advantage. I do not know why the former Minister could not see the disadvantage of his decision, and I do not know why he was so anxious to rush to have the report adopted; perhaps he will tell us why.

The new proposal will bring the standard gauge line down beyond Islington: it will come to Mile End, where it will be better able to serve a greater number of customers. The spur line to Elizabeth will also be very advantageous to one of the State's biggest industries, General Motors-Holdens, as well as to some smaller industries in the area. I believe that Wallaroo will probably be connected to the standard gauge system, although this is still being negotiated. However, it appears that Wallaroo will be connected to the standard gauge system, thereby considerably assisting the transport of grain to the silos from as far away as Snowtown and places farther south.

The connection of Wallaroo to the standard gauge system will also assist in transporting acid from Port Pirie to the fertilizer company at Wallaroo. The proposal to link Adelaide to the east-west standard gauge system was first mooted in the days of Sir Thomas Playford.

The Hon. A. J. Shard: It was even before his days.

The Hon. D. H. L. BANFIELD: Well, it was mooted a long time ago. Tom was about for a fair while—he was about for longer than the people wanted him. The proposal culminated in the Maunsell report on the project in March, 1970, although two Ministers promised it much earlier. When we eventually got it the then Minister of Roads and Transport was most anxious to put it into effect without giving it thorough consideration to see whether it would really benefit the State and without considering what benefits could accrue if he did not rush into the matter. The Maunsell report was criticized by many people, including the Railways Commissioner himself, as well as leaders of industry in this State. In spite of that criticism the then Minister of Roads and Transport wanted to go blindly ahead and have the recommendations adopted, to get the matter off his plate, with little regard to the cost involved and to the best ways of obtaining maximum benefit: he panicked. It was fortunate for industry in South Australia that the Hall Government went out of office before it could put into effect the recommendations of the Maunsell report. As a result, a much better project that will possibly be less costly has been negotiated.

The Government's proposed legislation will also benefit the man on the land. It is pleasing to see that the Government intends to introduce legislation amending the Land Tax Act, authorizing a special revaluation of primary-producing land as at June 30, 1971, to form the basis for current land tax levies, in lieu of the out-dated 1970 valuation. Some questions were asked this afternoon concerning this matter. From the look of satisfaction on the faces of members opposite when the answers were given, it is clear that the Government's plan will be well accepted by members opposite.

The rest of the Government's legislative programme should also be well accepted, because the Government will continue with all its other planned legislation, which is all good. The Government also intends to further the orderly marketing of citrus fruits. If these things are done and if, in addition, the Commonwealth Government makes a grant of \$200,000,000 to the man on the land, as has been suggested to it, the primary producer will feel that his cries have not been in vain.

There is no doubt that there is concern about the number of deaths, injuries and

accidents occurring on our roads. Various people and bodies are looking for ways to reduce effectively the number of accidents. It appears to me that 99 accidents out of a hundred are caused entirely by errors of judgment by the person behind the steering wheel, whether that error of judgment be in regard to distance, the amount the driver has drunk, or the speed at which he is travelling. The only way to overcome such problems is through education. I am pleased that the Government is taking positive action in this regard. Its intention to construct the road safety instruction centre at Marion is surely a wise move. As a member of the Public Works Standing Committee, I recently visited the road safety instruction centre at Mount Lawley in Western Australia. While there I saw fire brigade drivers, ambulance drivers, transport drivers, small children on cycles, students and student teachers receiving instruction. If we give training to young people, as is being done in Western Australia and as I believe the South Australian centre will do, I am sure it will not be long before the road toll here is reduced considerably.

On at least two occasions last session I was criticized by some honourable members because I drew attention to what I thought were wrong things said and done by some former members of Parliament. It was suggested that, because those people were no longer members of Parliament and therefore unable to reply to any criticism, I should refrain from offering such criticism. In reply to such a suggestion I say "Bunkum". I do not accept that argument. If I believe that actions or statements of previous members or present members warrant criticism, I shall not hesitate to voice my criticism. I do not accept that any honourable member should take the attitude that, once he leaves this place, his actions and statements should no longer be open to criticism. The effects of such actions and statements do not cease when a person ceases to be a member of Parliament. I therefore say to those honourable members who criticized me last year that they can continue to protest, but I will not take the slightest bit of notice of them.

Last year the Government found it necessary to introduce some unpopular measures, together with some popular measures, and the Government is to be congratulated on having acted responsibly. People who elect Labor Governments expect them to act responsibly, and that is what the present Government did. His Excellency's Speech indicates that the Govern-

ment is determined to continue to introduce legislation that will greatly benefit the State and the people generally. I move the motion for the adoption of the Address in Reply.

The Hon. T. M. CASEY (Minister of Agriculture): I second the motion so ably moved by my colleague and I join with him in congratulating His Excellency Sir James Harrison on the manner in which he delivered his Speech in opening this session. It is very pleasing to all of us that His Excellency was able to carry out the rigorous duties of his high office to such a high standard even though it is not long since he suffered a serious illness. I hope His Excellency continues to enjoy good health so that he and his charming wife will continue to be able to grace South Australia with their presence for many years to come.

I wish to pay my respects to members who have died since this Parliament was last called together. I knew two of the four gentlemen very well: Mr. Sam Lawn and the Hon. Colin Rowe. They will long be remembered for their contributions to the Parliament and the welfare of the good people of this State. I welcome the new member for Southern District (Hon. Martin Cameron), who has taken the place of Sir Norman Jude, who has retired. The name Cameron is widely known in the Commonwealth Parliament, and I am certain we will see Mr. Clyde Cameron occupying a seat on the Ministerial benches after the next Commonwealth election. I wish Sir Norman and Lady Jude all the best in their retirement, and I congratulate the new member for Adelaide in another place (Mr. Jack Wright) on his election; he will be a worthy successor to the late Mr. Sam Lawn.

Having listened to the Governor's Speech and, more particularly, having read it afterwards, I know that the people of South Australia could not be other than impressed with the Government's proposals for the months ahead. The proposals outlined certainly cover a wide area, and I am confident that the implementation of those proposals and others that will come before this Council will benefit everyone. There is no need for me to tell members of the dramatic challenge facing the farming and associated communities. Because of seasonal conditions, the rural industries in Australia must cope with good and bad conditions—conditions that can change with a swing of the pendulum. However, the welfare of the rural community has in the past been linked closely to the general affluence of the rest of the community. Today, the



position is quite different. In the tertiary sector, the banks, the hire-purchase companies, the insurance houses and the land developers are all recording record profits. Manufacturing companies and, more particularly, mining companies are booming, and I draw members' attention to the recent record profit made by the Broken Hill Proprietary Company Limited. On the other hand, although costs continue to soar, primary industry is experiencing a period of low wool prices and production restraints.

In addition to all these problems, the United Kingdom, one of our major rural export markets, will probably join the European Economic Community. She has informed us that she has made no provision or concession of any kind for Australian primary produce in her discussions with the present members of the European Economic Community. I am afraid that this does not speak volumes for the Commonwealth Government's present chief negotiators.

The Hon. R. C. DeGaris: What do you think he should have done?

The Hon. T. M. CASEY: You used the singular; I used the plural.

The Hon. R. C. DeGaris: To whom are you referring?

The Hon. T. M. CASEY: Australia's negotiators.

The Hon. R. C. DeGaris: You referred to a negotiator.

The Hon. T. M. CASEY: No, I did not. I said "negotiators"; you mentioned the singular.

The Hon. R. C. DeGaris: What could the Australian Government do?

The Hon. T. M. CASEY: It could have done many things. For a start, it should have been in contact with the British Government for the last 18 months.

The Hon. L. R. Hart: And wasn't it?

The Hon. T. M. CASEY: Only in a purely minor role. This matter was of such major importance to Australian primary industry that the Commonwealth Government should have taken it up on a major basis. It is no good shutting the gate after the horse has got out, as has happened in this case. Our negotiators should have negotiated directly with representatives of the British Government to safeguard Australia's position and to get something definite, in writing, in their negotiations. It is no good appealing to a person to do something and expecting him to carry it out. It is pure folly for one to expect that to happen.

Everything today must be obtained in black and white, but that was not done in this

instance. The damage has now been done, because all the external tariffs of which we hear and which are built into the European Economic Community and the Common Market agricultural policy within the European Economic Community will make it much more difficult for Australia to get her products into that community. I do not think anyone can say at this stage what exactly these duties and tariffs, combined with the agricultural policy of the Common Market, will amount to. These things will only be known gradually. Nevertheless, it was a decisive blow that was struck at Australian primary industry, particularly our dairy products and our canned fruits. I refer to those two specifically, as I believe they will be hit hard.

Australia's export picture in relation to the rural economy is disappointing. The estimated rural export earnings are about \$1,930,000,000, a fall of \$180,000,000 compared with last year. When both export and domestic receipts are put together, the Bureau of Agricultural Economics estimates a fall of close to \$193,000,000 in gross returns to farmers throughout Australia. At the same time, the prices that farmers need pay for their inputs are constantly rising: at an estimated rate of about 2.5 per cent a year. However, costs, as distinct from prices, have grown by about 4.5 per cent or 5 per cent a year, reflecting to a large extent the increased quantities of goods and services that farmers have tended to purchase in recent years in order to increase their production. Increases in costs this year are assuming alarming new dimensions. Average earnings in the March quarter showed a frightening increase of 13 per cent above that of the corresponding quarter in 1970, and recent consumer price indexes suggest an underlying upward trend in consumer prices of about 6 per cent a year. These figures are intolerable for rural export industries.

The Hon. R. C. DeGaris: That is a 13 per cent rise in costs covering what?

The Hon. T. M. CASEY: That was the overall increase outside of primary industries, although it directly affects them. The whole cost structure is reaching alarming proportions in comparison with what the rural industries can afford.

The Hon. R. C. DeGaris: Have you a breakdown of the components of that 13 per cent?

The Hon. T. M. CASEY: No.

The Hon. R. C. DeGaris: Have you any idea what they are?

The Hon. T. M. CASEY: No, I would not like to say at this stage. However, these increasing cost structures adversely affect the wool industry, mainly because the wage structure has increased to such an alarming extent that all wool prices have fallen to the lowest ebb for 20 years, thus constituting a big problem for the rural industries' largest export earner. I will give honourable members some figures on that shortly. It is anticipated and it is on record within the Bureau of Agricultural Economics that numerous pastoralists in all areas, however, have practically exhausted their normal sources of credit for even normal living expenses. Many are carrying on only under unbelievable personal hardship. These conditions have extended into almost all sections of the country towns whose existence has revolved around servicing the rural community. I think that that was indicated today by questions asked by honourable members.

Most honourable members will know of the empty stores and business premises, of many unsaleable houses and of the drift of population. We saw what happened in the 1930's and I gave some indication of this last year when opening a United Farmers and Graziers conference in the Mid-North. I thought the position was rather similar to what happened in the 1930's, for reasons which were totally different. These are the sorts of things confronting some of the small rural towns, though not so much in South Australia at the moment. Let us hope it does not come to this, but it is happening in other States of the Commonwealth today.

On an Australia-wide basis the woolgrowers' debt from institutional lenders is about \$1,200,000,000, and net farm income is about \$300,000,000, of which about \$100,000,000 will be required solely to meet interest payments on current debts. These figures are indicative of the order of the financial problem facing woolgrowers. A first essential in any programme of assistance to the wool industry and the community it supports must be the price of wool. I do not know exactly what the Commonwealth Government is doing along those lines. It is, of course, the Labor Party's policy to acquire the clip; that has been clearly stated. We can argue the pros and cons of this problem probably until the cows come home but, nevertheless, this was done. Honourable members who are woolgrowers will know that this was the case during the Second World War, when the wool was actually acquired under the joint organization. I think it worked

quite well in those days and I see no reason why it should not work again today. We have a very similar situation to the wheat industry, where the wheat crop is acquired. If it can work with one section of the industry, there is no reason why it cannot work with another.

The Hon. R. C. DeGaris: Will a quota system come into the wool industry?

The Hon. T. M. CASEY: I do not think it is possible. We are getting to something like quotas in the dairying industry. It is difficult to accomplish. It is much more difficult than with wheat.

The Hon. L. R. Hart: How about the egg industry?

The Hon. T. M. CASEY: We can control that to a certain extent because we can take note of the birds that are kept. However, controlling the wool production of sheep on a property is a very different kettle of fish.

The Hon. L. R. Hart: Why?

The Hon. T. M. CASEY: In the first place, throughout the poultry industry we can manage our farms much more efficiently than we can the wool industry and its prospective position throughout the Commonwealth. It is quite different. There is the feeding problem, for one thing. That would be probably the main problem, as I see it at this stage, but I think that it would be very difficult. In the poultry industry control is feasible. In the dairying industry there will be problems in controlling production because if, for example, a farmer is controlled, we will say for argument's sake, to the extent of 100 cows and he experiences a drought, the production of those cows will drop tremendously compared with previous production. This could happen on a State basis. It could happen in several States at the one time, as is happening in New South Wales and Queensland at the moment. Those are things we cannot cater for when we start putting controls on an industry such as the dairying industry; and I would say it applies equally to the wool industry.

The Hon. R. C. DeGaris: Have you any figures of the number of woolgrowers who today are almost bankrupt.

The Hon. T. M. CASEY: No; and I do not think anybody would be able to give those figures at present, because applications are still coming into the rural reconstruction committees throughout the States; but I did hear a figure of about 22,000 people being affected throughout the Commonwealth. That is an alarming number of woolgrowers. I do not

say they are all woolgrowers, but perhaps woolgrowers are affected, proportionately, more in other States than they are in South Australia.

But those are figures that will not be compiled until the rural reconstruction committees examine all the figures and they are collated through the B.A.E. in Canberra. However, there is one bright star on the horizon—that the workings of the Wool Commission (which I must say I had a hand in agreeing to at an Agricultural Council meeting last year) show that it is essential for the industry that a minimum price structure be implemented as quickly as possible. It is pleasing to note that in the last six months anyway the actual downward trend of wool has been contained and over the last few months we have seen a sliding price rise in the industry. Let us hope it will continue.

The Hon. L. R. Hart: How much wool has the Wool Commission on hand?

The Hon. T. M. CASEY: I cannot even estimate that for the moment because I have not seen any figures quoted anywhere, but one of the things we must do, of course, is to try to establish markets for wool, perhaps in places where wool has never before been marketed. This applies to all our rural industries. We had a typical example of it in the previous 12 months with our wheat industry, when we have opened markets in other countries of the world where they had never been opened before. This is all to the good of the wheat industry. We must do something like that with the wool industry.

I was pleased to hear that the present Minister for Primary Industries (Mr. Sinclair) is actually now going to do something about that iniquitous tariff of 251c a lb. on our wool going into the United States. I took this matter up at the Agricultural Council meeting last year. I pointed out to the council that this tax was having a detrimental effect on the export of our wool to the United States and that I believed that under the "Kennedy round" talks this matter could be resolved. However, I was informed by a Commonwealth member later that the reason why this matter had not been discussed was that the parties had got bogged down on tobacco. Apparently, the Americans wanted to make a deal with the Australian Government regarding the import of Virginia leaf from the United States into Australia and for that reason they could not come to any agreement on the tariff on wool going into the United States.

This is one sector where discussions could be carried on to the benefit of the Australian

woolgrower. I do not say that America has not a legitimate reason for keeping this tariff, which was imposed to protect American woolgrowers, but the wool industry in America is a very minor one today. Americans, of course, are very keen on the production of meat, but not wool. That is why I think this tariff should be wiped off. It will not hurt the American wool industry one iota, but Americans may take the attitude, of course, that it is a protection against their synthetics industry.

The Hon. R. C. DeGaris: We could do something similar with American cars coming into Australia. That would solve the problem.

The Hon. T. M. CASEY: I wonder what will happen in this matter, because with the increased exports to Japan I would say that in the immediate future the whole situation must be closely looked at, particularly with the United Kingdom entering the European Economic Community. We must also look at tariffs between Australia and Japan, where the balance of trade is much in our favour. From what I have read in today's *Australian* apparently the Japanese are thinking along the same lines.

The Hon. R. C. DeGaris: Are they out to reduce our tariffs here?

The Hon. T. M. CASEY: Yes. I am pleased to say the meat industry in Australia looks much rosier than some of the other sectors.

The Hon. L. R. Hart: Is Dr. Patterson selling our wool in China?

The Hon. T. M. CASEY: We will come to that in a moment. The Australian Meat Board (and I will be quite specific) should be doing much more in the interest of Australian producers. I believe the board is run and controlled by the wholesalers, and this is not in the best interests of producers, particularly producers of mutton. Sheep prices at the moment are very deflated and we know that the grazier, if he does not get a good price for his wool, relies most heavily on the sale of his sheep. When we have two deflated commodities he is in real trouble. Judging by the exports of meat, particularly beef and mutton, it seems unusual to find our exports running to such an extent and yet the prices graziers receive for sheep are deflated. This must be looked at very closely to see whether something cannot be done to improve the price structure of the mutton industry. On the beef side the situation looks very good.

In 1970, a total of 985,000 tons of beef and veal was produced, 419,000 tons of mutton, 328,000 tons of lamb, and 174,400 tons of

pig meat. The domestic market, the major outlet for meat, takes about one-half of our beef and veal, 48 per cent of our mutton and 85 per cent of lamb, and almost all our pig meats. There is an export market for pig meats in the South-East Asian region.

The Hon. R. C. DeGaris: What can we do to improve our mutton exports to the United States? I believe there is a tremendous market there that is not supplied. Have you any idea how it could be exploited?

The Hon. T. M. CASEY: I cannot answer that specifically. The Americans are prone to limit the import of meat from Australia, whether it be beef or mutton. This has been brought out in the last couple of years. From time to time they suddenly become panicky about meat coming into their country and impose certain restrictions. Whether they close abattoirs or have reasons for closing them to restrict the import of meat I do not know, but we should be looking to see the type of meat required by the American market, particularly along the western seaboard.

Not long ago a shipment of lambs arrived at San Francisco and immediately the press slated Australia for flooding the market with cheap meat. The consignment would not have provided one chop for each person in San Francisco at that time, and when this was pointed out the press changed its tune quite considerably. There is an increased market for lamb of a particular type. I do not say it is the 36 lb. lamb we eat in Australia; it could be more of a hogget type, or perhaps even a little older than that. These are some of the things we must investigate.

The Hon. L. R. Hart: Has not agreement already been reached to import a percentage of lamb into the American market into the areas to which you are referring?

The Hon. T. M. CASEY: Not to my knowledge. We send large quantities of mutton and lamb to Canada, and much of this makes its way into the United States, but I do not know the position regarding direct consignments of lamb to the United States.

The Hon. L. R. Hart: I think you will find that is right.

The Hon. T. M. CASEY: It could be so. 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. Recently

an agreement was signed with the U.S.S.R. for the supply of 55,000 tons of beef and mutton—about 30,000 tons of mutton and 25,000 tons of beef, or something of that order. We have the situation today that there is great hesitancy on the part of the Australian Meat Board in fulfilling this order for the United States, but we must be certain that it is fulfilled because, once we fail, our quotas for the next year could be altered, and we have no firm contract with the U.S.S.R. I think this is a mistake on the part of the Australian Meat Board. Let us hope it does not make too many more mistakes along those lines.

The Hon. L. R. Hart: They wanted to buy some merino rams.

The Hon. T. M. CASEY: That is possible, too. We have heard much about the visit of members of the A.L.P. to China, and something about wheat contracts, and so on. I do not believe the A.L.P. delegation went to China to sign a contract for wheat. It cannot do that, of course, and its members knew this. It was ridiculous to suggest it. Only one organization can do this, and that is the Australian Wheat Board. I am certain there was no intention of undertaking commitments of this nature by the Australian Labor Party delegation to China. What it has done is to open up negotiations with a country that the Commonwealth Government should at this moment be contacting.

The other day I attended a dinner at which the guest speaker was the United Kingdom High Commissioner, Sir Morrice James, who defended his Government's attitude towards joining the European Economic Community. He said that one of the reasons why the United Kingdom was planning to join the community was that his country wished to trade effectively with the 300,000,000 people in Europe. I entirely agree with what he said. People in Australia must realize that we will have to do most of our future trading with South-East Asian countries. About one-quarter of the world's population is in China, yet some people close their eyes to the possibility of greatly increasing our exports. It is absolutely ridiculous for the Commonwealth Government to take its present attitude.

The Hon. R. C. DeGaris: For how long has France recognized Red China?

The Hon. T. M. CASEY: I do not know.

The Hon. R. C. DeGaris: How much of France's exports go to Red China?

The Hon. T. M. CASEY: That is not the crucial point. Just because a country recognizes another country, that does not mean

that it will trade exclusively with that other country. France, being a member of the European Economic Community, trades extensively with other members of the community. Several years ago France dumped much surplus soft wheat in South-East Asia, and we must beware of such a practice in the future. We do not know where the expansion of the European Economic Community will end: there could be 30 countries in the community in the next decade. There is a danger that surpluses will be dumped in someone else's lap, with no trade agreements and no price agreements. We see this kind of thing happening today in connection with the dried fruits agreement; Turkey has said, "If we get a surplus, we will sell it at whatever price is necessary in order to dispose of the surplus." Turning back to the question of recognizing China, it seems to me that the Commonwealth Government is burying its head in the sand. For the last five years I have advocated trade with China. Apparently we will be able to trade with China only if we establish diplomatic relationships with that country; that seems fair.

The Hon. L. R. Hart: What about reciprocal arrangements?

The Hon. T. M. CASEY: We should not say to China, "We have 12,000,000 people and you have 800,000,000 people, but we will not recognize you." To say that is similar to making a small boy compete with a 6ft. 5in. Victorian ruckman. It is high time the Commonwealth Government recognized that we must trade with other countries in order to live. The more we think along the lines of expanding our trading relations the better off our rural sector will be.

The Hon. G. J. Gilfillan: What about barley sales to Taiwan?

The Hon. T. M. CASEY: We are trading with Taiwan. I do not think we will automatically recognize one and cut off the other with one stroke of the pen. There is no comparison between a population of 800,000,000 people and a population of 13,000,000 people. On the basis of that comparison, I believe that the first country would import much more than the other country.

The Hon. C. R. Story: Principles are involved, though.

The Hon. T. M. CASEY: Now that the question of principles has been raised, it is appropriate that we consider why Taiwan was recognized in the first place. The Taiwan Government was installed by the Americans: it was not elected by the people of Taiwan.

There are only 4,000,000 Chinese people in Taiwan: the rest are mixtures.

The Hon. C. R. Story: What was Chairman Mao's majority?

The Hon. T. M. CASEY: We recognize Russia, a Communist country, and we trade with it. Is there any ideological difference between Russia and China? Members opposite cannot sustain the Communist bogey any longer, because it may rebound on us in future if we are not very careful. I do not think anyone adheres to the Communist ideology, least of all myself, but we must realize the importance of increasing our export trade, and we have a golden opportunity to do so. A few years ago we were exporting 43 per cent of our wheat crop to China; last year we exported 29 per cent of our crop there, and this year we will export none of it to China. It is high time we realized the absolute stupidity of throwing away a sale of the magnitude that may be required by China, just for the sake of a political philosophy.

The Hon. L. R. Hart: Where is China buying her wheat from now?

The Hon. T. M. CASEY: Canada.

The Hon. L. R. Hart: How much is China buying from Canada?

The Hon. T. M. CASEY: I do not know the exact figure. If I asked the honourable member what China's cereal production was in a 12-month period, he would not be able to tell me.

The Hon. L. R. Hart: China produces more than we do.

The Hon. T. M. CASEY: It produces a tremendous amount. A total of 9,000,000,000 bushels of grain was produced in China in 1967.

The Hon. L. R. Hart: And that could have been a bad year.

The Hon. T. M. CASEY: Yes. This indicates the futility of the position in which we are placed: few people today know what goes on inside China, as few people have been there. The only way in which we can establish exactly what we can export to these countries is, initially, to establish diplomatic relations with them. That is most important. We must become friends through trade, which will benefit all concerned.

Although I realize how serious they are, I do not want to enumerate all the problems facing the rural industry today. All members should realize that we must have orderly marketing. One of the basic problems confronting some of our industries today is that they do not have orderly marketing schemes.

We are indeed fortunate in having an orderly marketing set-up within the wheat and barley industries in South Australia and Victoria, particularly. Negotiations are now proceeding to try to establish a New South Wales Barley Board, with the eventual idea of constituting an Australian Barley Board. The same applies to oats. Indeed, I hope soon to be able to introduce legislation setting up an Oat Board in this State.

The Hon. G. J. Gilfillan: Is this for export oats only?

The Hon. T. M. CASEY: Yes, and it will be similar to the Barley Board. South Australia will liaise with Victoria, as it does in relation to barley. We will have our own accounting systems, as the Barley Board will have, and I am sure it will be in growers' interests to be able to utilize this board to the fullest extent. Another aspect to be considered is the situation facing the citrus industries, which are experiencing real problems throughout Australia

today. Without an orderly marketing scheme, and without quality goods being produced, the growers will not get the returns that they so justly deserve. Some growers think that all the goods they produce should be sold. However, today consumers are very choosy regarding their purchases; they demand a high quality product for the price they are willing to pay, and in this respect I refer not only to the export scene but also to the local scene. We must make manufacturers and primary producers realize that their products must be of the highest possible standard.

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

### **SESSIONAL COMMITTEES**

The House of Assembly notified its appointment of Sessional Committees.

### **ADJOURNMENT**

At 3.57 p.m. the Council adjourned until Thursday, July 15, at 2.15 p.m.