

Mr. J. J. CAHILL: Yes, except that sold by the local governing bodies. I am informed by my department that the Muswellbrook Coal Co. Ltd. supplies electricity in retail within the municipality of Scone and the shires of Upper Hunter and Muswellbrook, and in bulk to the Muswellbrook Municipal Council, the Hunter Valley Co-operative Dairy Co. Ltd., Muswellbrook Colliery and Muswellbrook No. 2 Colliery. When this matter was discussed previously a difference of opinion existed between the Scone Municipal Council and the Upper Hunter Shire Council. If agreement had been reached between them, a solution could have been found to the problem. The hon. member for Liverpool Plains has assured me that the situation is different to-day. According to the departmental report:

The new scale of charges which was approved by the Under-Secretary on the 7th October, 1949, as Delegate to the Acting Prices Commissioner provides, so far as retail supplies of electricity are concerned, a uniform tariff throughout the supply area in place of the former tariffs which varied from area to area. The new tariff structure, which will be re-examined after a trial period, will mean that in some instances, customers will pay less than they did formerly and the overall proportional increase is reasonable in relation to increases which have been found necessary in other areas of supply in New South Wales.

Before approval was given to the increased charges the technical and economical aspects of the company's electricity supply business were thoroughly investigated. The basic facts disclosed by the investigation were that for reasons beyond the control of the company costs of generation have increased, particularly during the post-war years, and the company's electricity supply business has shown an appreciable loss over the past three years, despite a very substantial increase in the sale of current. The charges made by the company have not been increased since 1939 and have, in fact, been reduced in some instances.

The hon. member was fair enough to say that also.

All the company's bulk supply customers have agreed to the increased bulk rates and the Muswellbrook Shire Council has agreed to the increase in retail rates. The

Scone Municipal Council and the Upper Hunter Shire Council have expressed disagreement with the increased retail rates.

Hon. members can appreciate the difficult situation that has arisen with one group of councils holding that the fair thing has been done, and another considering that that action was unfair. If the conflict cannot be settled according to the view of Scone Municipal Council, it is not fair to blame everybody. I am further informed by the department that:

The present approved tariff is an experimental one and is subject to review; and the Prices Commissioner, or his Delegate in this case, has the necessary power to require amendments from time to time at his own discretion. The present approved tariff was approved after examination by the department's legal officer, Chief Inspector of Local Government Accounts and the Electricity Authority, and after consultation with the company, which resulted in reductions in items originally proposed by it.

The hon. member can rest assured that consideration will be given to his representations and that every possible effort will be made to settle the matter.

Motion agreed to.

House adjourned at 5.15 p.m. until  
2.30 p.m. Tuesday, 7th March.

## Legislative Council.

Tuesday, 7 March, 1950.

Newcastle Wharf (Merewether-street) Bill (second reading)—Clarence Harbour Works Bill (second reading)—Hume Dam Hydro-electric Development (Construction) Bill (second reading)—Special Adjournment—Adjournment (Business of the House).

The DEPUTY PRESIDENT took the Chair at 4.30 p.m.

The opening Prayer was read.

NEWCASTLE WHARF (MEREWETHER-STREET) BILL.

SECOND READING.

The Hon. W. E. DICKSON (Minister for Building Materials) [4.32]: I move:

That this bill be now read a second time.

As the title to this bill indicates, the purpose of the measure is to sanction the construction of a wharf and ancillary

works between Merewether-street and the Stockton Ferry on the southern foreshore of Newcastle Harbour. The existing structure has long outlived its usefulness and for some considerable time has been in constant need of repair; also there is insufficient space for the handling of cargo and the access available does not meet modern requirements. The Government has had under consideration not only this wharf but also the general question of wharfage accommodation in the Port of Newcastle, in connection with which the Port Advisory Committee has recommended the reconstruction, and in a large measure, the relocation of the commercial wharves in the harbour. The scheme formulated by the committee envisages the removal of most of the commercial berths away from the entrance to the port to give better protection from the surge in the harbour resulting from heavy seas and on completion of this work the wharf that will be sanctioned by this bill will be the eastern-most commercial wharf.

It has not been possible to implement the recommendations that the Port Advisory Committee made in 1940, owing to the necessity to defer civil works during the period of the war. However, the necessary investigations and surveys were made as soon as they could be put in hand having regard to the urgent demand of defence works and the design completed. It will be appreciated also by hon. members that materials required for this work have been in short supply but they are now coming forward in reasonable quantities and a start can be made with the work. The new wharf will embody all modern facilities for the accommodation of vessels and the handling of cargo. The length of the wharf will be approximately 966 feet and will incorporate the following features: Cargo and shelter sheds; a boat harbour; a railway siding and 40-foot road to provide access and the enlargement of the loading area adjoining the wharf, including the widening of the existing foreshore road which, in

addition to catering for general waterside traffic, leads to the Stockton Ferry. The cost of the road widening will be shared by the Greater Newcastle City Council and the Department of Main Roads. The estimated cost of the proposed works is £250,000. I submit the bill for the favourable consideration of hon. members.

The Hon. T. ARMSTRONG [4.35]: I support the bill, the introduction of which is an act of justice to the port of Newcastle. A perusal of the report of the Newcastle Chamber of Commerce of last year shows that the Minister for Public Works and Local Government four years ago stated quite definitely that the construction of a new wharf at Merewether-street was to be provided for the Newcastle and Hunter River Steam Ship Company Limited and that construction would begin as soon as the necessary soundings were taken. When that report was presented the work had not been begun. The Council of the Chamber of Commerce made inquiries, and again wrote to the Minister, who replied more than twelve months ago, saying that there was considerable delay in obtaining steel sheet piling. The council heard also that there was contention between the three authorities concerned with the control of the port, the Main Roads Department, the Maritime Services Board and the Greater Newcastle Council, over a strip of land between Merewether-street and the new wharf site. The idea was to have a natural road along the foreshores of Newcastle, running out almost to the heavy industries.

The Minister said that there were some matters relating to road location that had to be determined with the City Council, but most important was the delivery of steel sheet piling. It is most regrettable to me that the construction of this wharf was not begun many years ago. The port of Newcastle requires not only the Merewether-street wharf but many others to be constructed to the east, and the city of Newcastle demands some consideration from the Government.

The figures of the port are illuminating, as last year 3½ million tons of coal were shipped at the east and west basins in the Port of Newcastle. Over 385,311 waggons were required to move that coal to the port. The total production of coal in New South Wales in 1948 was 11,649,000 tons, and northern mines produced 7,750,000, southern mines less than 2 million, and western mines just short of 2 million tons. The home consumption in New South Wales in that year was more than 8,500,000 tons of the 11,600,000 tons of coal produced. The heavy industries of Newcastle, such as Broken Hill Proprietary Limited, demand that the port receives the utmost consideration. The annual report of the Newcastle Chamber of Commerce shows that over the past seven years, Broken Hill Proprietary Limited has received annually over 1,000,000 tons of ironstone, and more than 250,000 tons of limestone. The coke produced over the same period averaged 775,000 tons, pig-iron 600,000 tons, steel ingots 825,000 tons, tar as a by-product more than 7½ million gallons, merchant bars 360,000 tons, wire rods 110,000 tons, plates 140,000 tons, and billets 75,000 tons. I have taken these figures from the annual report of the Newcastle Chamber of Commerce.

Newcastle should be a hive of industry. It has a large steel works, and the district produces over 8,000,000 tons of coal a year. It has a large steel works, with its various allied industries. Wool and wheat are shipped from the port. Approximately 45,000 tons of cement is manufactured each year. It has a timber works, lamp works, floating dock, ship building industry, engineering works, silica firebrick works, a masonite company, chemical company, and rope works. Approximately 62,520 tons of superphosphate and 41,568 tons of sulphuric acid were produced during the last twelve months. In these various industries 21,663 persons were employed during the year 1949. Wheat shipments from Newcastle have developed to an outstanding extent

*The Hon. T. Armstrong.]*

and are now a satisfactory figure in the list of exports from the port of Newcastle. We have silos there with a capacity of 800,000 tons, and the Minister has said that it is intended to increase this capacity possibly to the extent of another 2,000,000 tons. During the 1947 season, 150,621 tons of wheat were exported. The quantity during the last season was 123,310 tons, the greater tonnage in 1947 being due to the heavy crop in that year. However, it is gratifying to know that during the last thirteen months fifty ships left Newcastle with full cargoes of grain. The storage facilities at this port are now being availed of fully, and are proving a boon to growers, while at the same time relieving congestion in Sydney.

Newcastle is the natural port for the sale and export of wool for the north-west, the northern tableland and much of the central-west of this State. The expansion of trade in Newcastle during the last few years has been tremendous. The value of imports last year was just short of £3,000,000, and the revenue collected in 1948 was £1,500,000. The value of exports other than coal in 1948 amounted to £20,406,000. The following are the figures regarding exports from Newcastle: Butter, 1,269,298 lb.; timber, 67,449,951 super feet; wool, 1,450,255 lb.; eggs, 1,527,180 dozen; eggs, not in shell, 2,869,468 lb.; wheat, 5,695,097 centals; wool shipped for the year ended June, 1949, 206,305 bales; wool shipped for the year ended June, 1948, 278,051 bales; wheat, exported for the twelve months ended June, 1948, 160,000 tons. With these facts and figures before hon. members, I am sure that they will agree that any assistance that can be given to help the growth of the second port of New South Wales should be gladly given. I have much pleasure in supporting the bill.

Motion agreed to.

Bill read a second time.

## IN COMMITTEE.

(Mr. WRIGHT in the Chair).

Clause 4 (Cost of Work).

The Hon. T. ARMSTRONG [4.47]: Will the wharf be used for general purposes, or, as originally intended, by a specific company only?

The Hon. W. E. DICKSON: It will be used for all general purposes in connection with the work of the port.

Clause agreed to.

Bill reported without amendment; report adopted.

CLARENCE HARBOUR WORKS  
BILL.

## SECOND READING.

The Hon. W. E. DICKSON (Minister for Mines and Building Materials) [4.48 p.m.]: I move:

That this bill be now read a second time.

The works to be sanctioned by this bill constitute the first stage in the provision of a deep-sea port for the North Coast district of New South Wales that will provide a local outlet for the shipment overseas of the produce of this large area and will also, in conjunction with other projected works, which I will mention later, cater for the needs in this respect of the northern tablelands and the hinterland beyond. The need for an adequate harbour on the North Coast with modern wharfage accommodation and facilities has been long felt. Since 1860 investigations have been made from time to time and a number of works carried out to increase the depth of water at the entrance to the Clarence River and to improve the navigable channel. In 1927 Sir George Buchanan, an eminent authority on harbours, furnished a report on transport services in Australia in which he emphasised the desirableness of a harbour on the North Coast capable of accommodating vessels of deep draught and recommending the Clarence River as the most suitable place. Action to attain this desirable object was taken in 1945 when the Hon. W. J. McKell, M.L.A., who was then Premier, appointed a committee of officers of the Public Works, Main Roads, Agriculture,

Railways and Reconstruction and Development Departments to report on the construction of a deep-sea port on the North Coast. This committee, after exhaustive inquiry and investigation, recommended the establishment of the port at Iluka at the entrance to the Clarence River, and also that road and railway access to the port should be provided from the North-Western slopes and tablelands of the State. The Government, after considering the report and recommendations furnished by the expert committee, decided that the interim development of the deep-sea port at an estimated cost of £3,000,000 should be put in hand. The Government also decided that a railway line between Inverell and Glen Innes should be constructed at an estimated cost of £2,700,000 and that the work on the Gwydir Highway between Inverell and the port, estimated to cost £1,080,000, should be pressed forward to completion.

The reason for not continuing the Inverell to Glen Innes railway to the port is that survey has revealed engineering difficulties, and in the light of what is disclosed by the survey the Government does not consider that the extension of the railway to the mouth of the Clarence River is a practicable proposition; consequently, preference has been given to a highway. The proposed interim development of the deep-sea port envisages the construction of a northern breakwater 4,200 feet long and the extension of the southern breakwater for a distance of 7,800 feet, with a channel between the two breakwaters of approximately 1,400 feet. In addition, the existing training wall on the northern bank, known as Moriarty's wall, will be demolished and the reef at the entrance to the river will be removed to give a minimum depth of 20 feet at low water. It is anticipated that this depth can be maintained, on completion of these works, with a reasonable amount of dredging. All this work forms part of the final design for the proposed deep-sea port and the interim development will enable further work, to provide

sufficient depth to accommodate overseas vessels at a later date, to be continued. Hon. members will have noticed that this bill does not authorise the construction of any wharves and no doubt wish to know the reason. The harbour works that I have outlined are at the entrance to the river and, as hon. members will appreciate, they will be necessary irrespective of the location of the deep-sea wharfage.

At this stage I should like to mention that the Government is investigating the flood control possibilities of a dam at The Gorge on the upper reaches of the river and these investigations are not quite completed. However, evidence is forthcoming which gives rise to the hope that with the project at The Gorge it may be possible completely to obviate floodings in the Clarence River. Bearing in mind the disastrous floods that occur from time to time on the North Coast it is very pleasing to be able to say that there is a distinct possibility that we shall be able to eliminate completely flooding of the Clarence Valley. It will be appreciated that if our hopes in this direction are realised there is no reason why the port could not be established at Grafton, or at any of the intervening towns down to the entrance, because the river is deep all the way up to Grafton. In the circumstances the best place to construct the wharfage cannot yet be finally determined, and hon. members will no doubt agree that the bill should not definitely stipulate that the wharves required in connection with the establishment of the deep-sea port should be located at a particular place. Other considerations involved are road and railway access, and the river dredging costs. During certain stages of this important work up to 200 men will be employed and they will be housed on Woodford Island. The Government is arranging fitting accommodation for them and all reasonable amenities, including sport facilities will be provided.

There is no need for me to emphasise the economic importance of the proposed port on the Clarence River.

*The Hon. W. E. Dickson.]*

Access from the tablelands and the hinterland beyond will obviate the haulage of primary produce from those districts over hundreds of miles to the southern ports. Also, the port will be the logical shipping outlet for the primary produce of the rich coastal districts, extending to the Queensland border—one of the most fertile strips of agricultural land in Australia. Thus, a more extensive development of that area will be materially assisted. Again, the concentration upon the southern ports will be reduced and the already over-taxed shipping facilities in the ports of Sydney and Newcastle will be relieved. Surveys have been completed and an early start is expected on the construction of the camp at Woodford Island. As soon as accommodation has been provided for the first batch of men, delivery of plant and machinery will be accelerated and construction expedited as much as possible. His Excellency, the Governor, has kindly consented to launch this project and has expressed satisfaction at being associated with work of such significance to the welfare of this State, and particularly those districts which will be directly served by the port. I commend the bill to the favourable consideration of hon. members.

The Hon. H. V. BUDD [4.57]: I support the bill which, obviously, is essential to any effective scheme of decentralisation in New South Wales. As the Minister has said, it will serve an extraordinarily rich part of the State—and I refer particularly to the North Coast. Also, we must not forget the enormous potentialities of hydro-electric development on the Clarence. These would, if exploited provide a great stimulus for secondary industry in that area. Therefore, plainly, this proposed work is vitally necessary if the resources of the area are to be fully exploited. The Minister explained that it is proposed to link the port with a railway from Inverell to Glen Innes, by means of the Gwydir Highway. I regret that it is considered impossible to build a railway direct from the inland districts to Grafton and this port, thus

linking the tablelands with the coast. No doubt the road will serve a very useful function, but it seems unreasonable to expect producers to send their produce to Glen Innes and then have to place it on lorries for the rest of the distance. Nevertheless, we are very happy to have a first instalment of this scheme, and I hope that sooner or later it will be found possible to build a rail link from the inland districts to this port. I only wish that the port could be built as easily as this bill will be passed through Parliament. We are all aware of the grave difficulty in obtaining labour and materials that confronts those charged with the construction of public works. I do not think that any of us could be so optimistic as to assume that rapid progress will be made with the work, but we are very glad to authorise it, and to support the bill.

The Hon. T. ARMSTRONG [4.59]: Will the Minister enlighten me concerning the provision in the schedule relating to the removal of the reef at the mouth of the Clarence River? What is the depth there?

The Hon. W. E. DICKSON: I understand that it is intended to have a depth of 20 feet at low tide.

The Hon. T. ARMSTRONG: I agree with the Hon. Mr. Budd that great difficulty will be experienced in transporting goods and materials by road instead of by railway as previously proposed. The cost of handling goods will be considerable both to producer and to consumer, and if it takes as long for the railway to Inverell to be built as it has taken for the Sandy Hollow-Maryvale line to be partially constructed, it is problematical whether it will ever be completed. Millions of pounds have been spent on that railway and floods have frequently washed away the earth works. When the bill authorising its construction was passed in 1927, an estimate of the cost was made, but that has been tremendously exceeded, and the progress of the work in the intervening

years has been painfully slow. It has been said that owing to shortage of sleepers and rails it has been impossible to complete the line, and that shortage seems worse to-day than it was eighteen months or two years ago. This measure seems to be purely propaganda for the coming elections, because the Government knows that although it says that it will do certain things, it has not even Buckley's chance of fulfilling its promises.

Motion agreed to.

Bill read a second time and reported from Committee without amendment; report adopted.

HUME DAM HYDRO-ELECTRIC  
DEVELOPMENT (CONSTRUCTION)  
BILL.

SECOND READING.

The Hon. W. E. DICKSON (Minister for Mines and Minister for Building Materials) [5.5]: I move:

That this bill be now read a second time.

The objects of the bill are to sanction the construction of a hydro-electric power station at the Hume Dam on the River Murray and of transmission lines from the power station to distribute the electricity generated to Victoria and New South Wales, and to empower the Minister for Public Works to do such works as Constructing Authority under the Public Works Act, 1912; and to amend the Southern Electricity (Administration) Act to authorise the Administrator under that Act to control and administer the works as part of the Southern Electricity Supply System, and to enable the Administrator to supply electricity to Victoria and enter into contracts with the State Electricity Commission of Victoria for that purpose.

The question of hydro-electric generation on the River Murray was first broached in 1922. Originally the intention with regard to the Hume Reservoir was to impound 1,100,000 acre-feet, and the River Murray Waters Agreement

of 1915 provides for the use of the water exclusive to irrigation. Navigation and construction was begun on that basis. In 1922 the State contracting Governments investigated the question of utilising the water from the outlets of the reservoir for the generation of electricity and this investigation was carried out in conjunction with the River Murray Commission. After exhaustive inquiry and report, a conference of the contracting Governments in 1924 resolved that provision should be made for outlet works at the Hume Reservoir suitable for the purpose of hydro-electric generation, in addition to the purposes set out in the River Murray Agreement, provided that the use of the reservoir for such generation of power would not in any way interfere with the output therefrom of the quantity of water required for the purposes set out in the Agreement. It was decided, also, that the work of constructing the dam to provide a reservoir of 2,000,000 acre-feet should proceed for a period of three years and that the question of the ultimate capacity and completion of the reservoir should then be the subject of a further conference between the four contracting Governments.

As hon. members are aware, the resolutions of the conference were not implemented and the reservoir was constructed to contain 1,125,000 acre-feet. Nothing concrete was done to increase the storage capacity of the Hume Reservoir until 1944, when a meeting was convened to discuss this matter at which Ministers of the Commonwealth and the State contracting Governments, the River Murray Commission and representatives of the Electricity Undertakings of New South Wales and Victoria were present. The associated question of utilising the Hume waters to generate electricity was also discussed and referred to a committee. The committee's report was submitted to a later conference of the Ministers which resolved that the waters of the Hume Reservoir should be available to the States of New South Wales and Victoria for the generation of electricity at

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a charge which should be determined by agreement between the River Murray Commission and those States.

Hon. members will recall that amendments to the River Murray Waters Agreement were ratified last year by this House in the River Murray Waters (Amendment) Act, 1949 and one of the amendments so ratified authorised the increase of the storage capacity from 1,250,000 acre-feet to 2,000,000 acre-feet. The additional storage capacity will be needed to operate the power station at the Hume Dam efficiently and economically. Preliminary work for raising the impounding barrier and constructing the power station that is to be sanctioned by this bill has begun.

Another amendment of the River Murray Waters Agreement was a new clause 30 to cover works, other than those specifically mentioned in the Agreement that may be constructed by any one or more of the State contracting Governments. This clause requires that the approval of the River Murray Commission must be obtained before any works are constructed thereunder, particularly with regard to works affecting the discharge, flow, use or control of the water in the River Murray. It will be appreciated that irrigation is the first concern of the River Murray Commission and the requirements of hydro-electric generation must be subordinated to the primary purpose of the reservoir. The same conditions apply at Burrinjuck Dam where the power station must be operated in accordance with the requirements of the State Water Conservation and Irrigation Commission. However, the River Murray Commission has co-operated in every way and agreement has been obtained on all salient points affecting the works.

As the site of the power station is in New South Wales it has been agreed that this State shall construct and operate the power station and the transmission lines distributing electricity therefrom. The power generated will be distributed to New South Wales and Victoria and each State has the right

to an equal share. The whole of the capital cost of the works to be authorised by this bill will be borne by the Southern Electricity Supply Authority of New South Wales. The annual cost of operating the power station and ancillary works at the Hume Dam are to be paid equally by the Southern Electricity Supply Authority of New South Wales and the State Electricity Commission of Victoria, except that where any part of the works is concerned only with the supply to either Authority the body concerned will bear the whole of the annual cost. The charge for the use of the water discharged from the Hume Dam for hydro-electric generation has been agreed upon at eight one-thousandths of a penny (0.008d.) for each kilowatt hour of electricity sent out from the power station. I can assure hon. members that the question whether the power station will be an economical proposition has been carefully looked into and it has been established that such will be the case.

The estimated average annual output with two generators in use is 206 million kilowatt hours, and, if the River Murray waters were not available for hydro-electric development, 140,000 tons of coal a year would be needed to provide the same quantity of power. Hon. members will readily appreciate that the use of the hydro-electric resources available at the dam represent a substantial saving in coal consumption and a worthwhile contribution to the solution of the problem of obtaining adequate supplies of that commodity for national needs. Designs and specifications for a considerable part of the works, and the plant and equipment to be installed, have been completed, and tenders are now being called for various items. It is expected that the work will be commenced at an early date and every effort is being made to expedite construction and to bring the generators into production at the earliest possible moment.

All hon. members of this House will agree that the proposed undertaking is not only desirable but also an essential adjunct to the power sources available

in both Victoria and this State, particularly as considerable benefits will accrue to rural areas. The fact that water stored at the Hume Dam will be available for the generation of power in addition to the primary purpose of irrigation will further enhance the value of this already very valuable national asset. The estimated cost is £3,100,000 and this cost is not to be exceeded by more than 10 per cent. In conclusion, I have much pleasure in recommending the bill for the favourable consideration of the House.

The Hon. H. V. BUDD [5.13]: I support the measure. It is another of those desirable proposals that are always plentiful on the eve of an election. The development of a hydro-electricity undertaking at the Hume Dam recommends itself because the dam is already constructed and the water stored, so that compared with other major undertakings a relatively small expense is involved. I was glad to hear the Minister say that irrigation would receive priority of consideration over electricity. That is very important and something that is apt to be overlooked when considering the wonderful improvements that can be effected with stored water. Sooner or later it has always been found that either irrigation or electricity has to be subordinated. There are times of dry spells when the water storage is reduced and a decision must be made as to whether what is left is to be used for irrigation or electricity. In Australia where water is so important the interests of irrigation must always remain paramount.

The scheme envisaged in the bill should prove to be invaluable to the Riverina district, but I hope that an excessive volume of power is not diverted to the city. I understand that it is proposed eventually to bring some of this power to Sydney and perhaps when we are short of coal, electricity from this area might be diverted into the city system. I do not object to that on principle but I emphasise that the first necessity should be the supply to industries in

the neighbourhood' of the Riverina. There is a serious lack of balance in the development of electricity throughout the State as the figures that I am about to quote will illustrate.

The Sydney County Council programme of development now in progress amounts to £30,000,000 and provides for an additional 200,000 kilowatts at Bunnerong, 50,000 at Pymont and 300,000 at George's River. In addition there is provision for another 50,000 kilowatts at Balmain, 100,000 at White Bay and 100,000 at Lake Macquarie, making a total of about 800,000 kilowatts. Compare that with the developmental programme for the rest of the State. At Tamworth provision is being made for the development of 13,000 kilowatts, at Grafton 10,000, at Bega Valley 15,000, at Oakey Creek, Armidale, 2,250, and the Hume scheme 75,000, a total of just over 100,000 kilowatts. That illustrates the lack of balance in electricity development between the metropolitan and neighbouring industrial areas and the rest of the State. Large-scale developmental schemes are necessary in the city because of the enormous and growing demand for power, but the more facilities that are provided along the coast-line the greater will be the concentration of industry in this area, thus making it more difficult to proceed with a policy of decentralisation. The scheme proposed in the bill is a desirable one, as are others, particularly The Gorge scheme on the Clarence, which I commend to the Government. I support the bill which, I hope, is an instalment of a development that will be extended throughout the State.

The Hon. A. D. BRIDGES [5.19]: The lucid explanation of the bill given by the Minister leaves no doubt in the minds of those who listened to him that the work proposed is long overdue. It is a pity that so many million gallons of water have not previously been harnessed to provide this great essential of electricity generation in an area urgently in need of it. Accepting the view that the construction of the

hydro-electricity undertaking is essential' and that the time has come when it can be developed within a short space of time to a potential of 75,000 kilowatts, it becomes necessary for us to ascertain exactly what expenditure is involved and the manner in which the money is to be spent.

In the schedule to the bill there is no reference to the cost of the establishment of a steam power station. For eight months of the year there will be sufficient water flowing into the dam to provide power for the hydro-electric scheme, but what is to happen during the remaining four months of the year? In what manner is power to be obtained during that period? I take it that this system will be harnessed to the electricity system throughout the rest of the State, but it would not be just a simple matter of pressing a button or operating some automatic device to join the forces of the hydro-electric scheme with the thermal unit development elsewhere in the State. I understand that it will be necessary to establish a fairly expensive steam power station as an auxiliary unit. This is not mentioned in the schedule, and I should like an explanation from the Minister as to whether it has been provided for. Then there is the question of the cost of providing for the raising of the level of the dam. Is the cost of raising the dam to the height considered essential included in the amount of £3,100,000 set out in this bill?

The Hon. J. M. CONCANNON: Was not that work authorised last year?

The Hon. A. D. BRIDGES: The bill passed last year dealt with an irrigation work, and we are at present dealing with a hydro-electric development scheme the whole of the cost entailed in which should be referred to in the bill. I am merely seeking an explanation as to whether the additional cost of the steam power station and of the raising of the level of the dam is included in the estimated cost. As a matter of fact, to-night hon. members have dealt with three bills, dealing

with projects involving a considerable aggregate cost. One provided for an expenditure of £250,000, another for an expenditure of £3,000,000, and the bill now before the House contemplates an expenditure of £3,100,000. It might be wise for hon. members to consider the existing position. I know that it was normal procedure when costs were fairly steady to estimate the cost of construction by the usual methods and then to provide an additional 10 per cent. for contingencies, but the question is whether to-day 10 per cent. for contingencies is sufficient. I suggest that it is by no means so. It is quite conceivable that, with the existing shortage of labour and materials, this work may take longer to complete than is expected; and by the time it has reached the stage where the first cost may be computed such cost may greatly exceed the estimated amount plus 10 per cent.

The Hon. J. M. CONCANNON: The bill provides that in no circumstances shall the estimated cost be exceeded by more than 10 per cent.

The Hon. A. D. BRIDGES: That is so. Under such conditions, I assume that the additional expenditure would be referred to the Public Accounts Committee, and that it would eventually be approved as an amount unauthorised in suspense, but I contend that, because of the large amount involved in this and other measures, if the expenditure is likely to be exceeded by a large sum, this House should from time to time be given an opportunity to determine whether the increased expenditure should be authorised. I do not think that one could take any exception to a small increase in expenditure over and above 10 per cent., but all hon. members know that substantial additional construction expenses are being incurred in house-building and that instead of an increase of 10 per cent., or even 20 per cent., in many instances it is as much as 50 per cent. In the circumstances, hon. members might well review the progress and cost of public works from time to time.

It has been the practice of the Public Works Department—and in this respect the procedure in the Public Works Department differs from that adopted by the Housing Commission—to let contracts that do not include a rise and fall clause. It will readily be realised that a rise and fall clause is beneficial both to the contractor and to the Government. If costs are rising, the rise and fall clause provides for an increased payment as a result of higher costs occasioned through circumstances beyond the control of the contractor. I do not know whether the Public Works Department has changed the policy that it adopted in previous years, but this is an opportune time to point out that it is a matter of equity that where contracts are let by the Public Works Department, the Housing Commission, or any other Government department, they should contain a clause providing that increased costs occasioned through circumstances beyond the control of the contractor shall be met by the Government. Similarly, if there is any reduction in costs, there should be an equivalent reduction in the payment under the contract.

There is no doubt that this bill will serve a very useful purpose in providing for the electricity needs of the rural community adjacent to the Murray River. I only hope that it will not be long before the work is completed and the proposed advantages are translated into actual fact.

The Hon. W. E. DICKSON (Secretary for Mines and Minister for Building Materials) [5.28]: in reply: Referring to the question as to what will happen during the period when power will not be generated at the Hume Dam, I might say that this scheme is part of a general one under which the various power stations are inter-connected. The policy of the Government has been to make all possible use of hydro-electric power; and to erect steam power stations in proximity to locations where coal is produced. Hon. members will remember that last year we passed a bill providing for the erection of the Lake Illawarra

Power Station. When the water flows at the Hume Reservoir and generates power it will not be necessary to draw power from the Lake Illawarra station. When the water ceases to flow at the Hume Reservoir, the steam plant will supply the power required. The Hon. Mr. Bridges asked about the cost of the scheme, and seemed to be afraid that the amount of £3,100,000 set down would be insufficient, but he can rest assured that in assessing the estimated cost all allowance has been made for the possibility of an unforeseen increase. I am informed, also, that it is the practice of the Department of Agriculture to agree to "rise and fall" clauses in contract agreements.

Motion agreed to.

Bill read a second time and reported from Committee without amendment; report adopted.

#### SPECIAL ADJOURNMENT.

Motion (by the Hon. R. R. Downing) agreed to:

That this House, at its rising to-day, do adjourn until Thursday next.

#### ADJOURNMENT.

##### BUSINESS OF THE HOUSE.

The Hon. R. R. DOWNING (Minister of Justice and Vice-President of the Executive Council) [5.33]: I move:

That this House do now adjourn.

I take this opportunity of intimating to hon. members that it is the Government's intention to take the three bills, of which contingent notice of motion was given to-day, through all stages on Thursday. The decision to adjourn till that day was made so that hon. members would not attend to-morrow merely for the formal business of placing these bills for consideration the next day. On Thursday it may be possible to state what business will be dealt with during the following week.

Motion agreed to.

House adjourned at 5.34 p.m.

## Legislative Assembly.

Tuesday, 7 March, 1950.

Printed Questions and Answers—Hon. Member for Coogee and District Court Action: *Daily Telegraph* Report—Death of the Hon. Henry Willis—Questions without Notice—Electricity Undertakings: Coal Supplies (Adjournment)—Rabbit Infestation—Third Readings—Dairy Industry (Amendment) Bill—Transport and Highways Bill—Glen Innes to Inverell Railway Bill (second reading)—Adjournment (Soldier Settlement: Waterloo and Wellingrove).

MR. SPEAKER took the Chair at 2.30 p.m.

The opening Prayer was read.

### PRINTED QUESTIONS AND ANSWERS.

#### CARRAWOBITTY HOME FOR BOYS.

MR. HEARNshaw asked the MINISTER FOR EDUCATION,—(1) Has his attention been drawn to an article in the *Sunday Sun* of 6th November, 1949, attempting to ridicule the proposed activity of the Child Welfare Department at Carrawobitty? (2) (a) Is it a fact that May Villa is the only institution at present available to the Child Welfare Department for essential remedial and rehabilitating work for boys; (b) is it a fact also that May Villa was condemned in the McCullough Report of October, 1934? (3) Is it further a fact that the purchase of Carrawobitty would provide the only opportunity the Child Welfare Department would have of transferring the boys from May Villa to more appropriate conditions? (4) If the answers to questions (1), (2) and (3) above are in the affirmative, will he inform the House (i) if the Secretary for Lands has signed the dedication certificate enabling the Child Welfare Department to obtain full legal possession of Carrawobitty, and if not, why not; (ii) what is the future programme for this most urgent and vital social service to the special children under the care of the Child Welfare Department?

*Answer.*—It is proposed that the existing organisation of the Child Welfare Department at May Villa should be transferred to and further developed at Carrawobitty. The Child Welfare