

HOUSE OF ASSEMBLY.

Thursday, November 19, 1959.

The SPEAKER (Hon. B. H. Teusner) took the Chair at 2 p.m. and read prayers.

MOTOR VEHICLES BILL.

His Excellency the Governor, by message, recommended to the House of Assembly the appropriation of such amounts of the general revenue of the State as were required for the purposes mentioned in the Bill.

ASSENT TO ACTS.

His Excellency the Governor, by message, intimated his assent to the following Acts:—
Appropriation (No. 2).

Fruit Fly (Compensation).

Hallett Cove to Port Stanvac Railway.

Hide, Skin, and Wool Dealers Act Amendment.

Land Agents Act Amendment.

Marketing of Eggs Act Amendment.

Pastoral Act Amendment.

Stock Diseases Act Amendment.

QUESTIONS.**PETERBOROUGH SEWERAGE.**

Mr. O'HALLORAN—I understand that some years ago a survey was made of the town of Peterborough to ascertain whether it could be provided with sewerage. Can the Minister of Works say whether investigations have proceeded any further or secure information as to the possibility of Peterborough being sewered in the not distant future?

The Hon. G. G. PEARSON—Without reference I am unable to indicate the position, but I will ascertain the position regarding the survey and also the findings of the committee that investigated country sewerage and bring down a reply.

LAND FOR COUNTRY SCHOOLS.

Mr. LAUCKE—The rapidity with which land is being taken up in the Tea Tree Gully and Modbury districts emphasizes the need for prompt action to secure suitable sites advantageously located in relation to each other for school purposes. I point out that 5,000 building blocks have been purchased by home builders up to the present and purchases are continuing at the rate of 100 a month, and the provision of reticulated water in the district will give added impetus to building and development generally. Can the Minister of Education say whether necessary school sites have been purchased to meet the inevitable heavy demand for school accommodation?

The Hon. B. PATTINSON—I am aware of the great development occurring in the locality and the need for purchase of additional sites for schools as soon as possible, and negotiations are in hand for the purchase of two sites, each of from 8 to 10 acres, for primary schools, two other sites, each of approximately 8 to 10 acres, are being investigated for proposed primary schools, and a further site of approximately 40 acres for the establishment of a high school and a technical high school.

SALES TAX ON BUSES.

Mr. FRANK WALSH—Has the Treasurer received a reply from the Federal Treasurer concerning my question about the sales tax now charged on passenger buses, particularly those bought by persons licensed by the Tramways Trust to operate passenger services? If not, will he communicate with the Prime Minister?

The Hon. Sir THOMAS PLAYFORD—I have not yet received a reply but I will have the matter examined to see whether I can expedite it.

NARACOORTE SOUTH PRIMARY SCHOOL.

Mr. HARDING—Can the Minister of Education say whether negotiations have been finalized for the purchase of sufficient land for a new primary school at Naracoorte South?

The Hon. B. PATTINSON—Negotiations have been completed for the purchase of a site there of approximately 8 acres for a new primary school.

WOOL BUYING "PIES."

Mr. HUTCHENS—In this morning's *Advertiser* it is reported that the New South Wales Cabinet is considering legislation to outlaw "pies" by wool buyers. The report states:—

The Attorney-General (Mr. Downing) said tonight he would submit to Cabinet draft legislation based on recommendations to the Government by Mr. Justice Cook, of the New South Wales Industrial Commission.

The report explains that a "pie" is a method whereby buyers do not bid against each other, and later divide up the lots of wool bought, thus reducing the price and denying the producer his full entitlement for his work. Will the Premier consider the New South Wales legislation and inquire whether the introduction in this State of similar legislation is warranted to protect the interests of the wool-growers?

The Hon. Sir THOMAS PLAYFORD—I will have the matter examined.

TIMBER CLASSROOMS: EMERGENCY EXITS.

Mr. FRED WALSH—Earlier in the year I approached the Minister of Education on the matter of providing emergency exits from timber prefabricated classrooms for use in the event of fire. The Minister took up the matter with officers of his department, who in turn referred it to the Architect-in-Chief's Department, and they made provision for an inspection at the Plympton Primary School of the type of exit they had prepared. At the inspection, which was attended by the Director of Education, an officer of the Architect-in-Chief's Department, officers of the Schools Committees Association and myself, certain suggestions were made which were referred back to the Architect-in-Chief's Department for the preparation of another plan. Can the Minister indicate what progress has been made with the new plan and whether an inspection will be arranged at the school in the near future?

The Hon. B. PATTINSON—The suggested provision of additional exits in timber prefabricated classrooms is a matter of considerable importance. The matter has been discussed a great deal with officers of the Education Department and the Architect-in-Chief's Department, and also by Cabinet. As the Premier told the honourable member for Gawler in, I think, June of last year, on the basis of 2,500 of these classrooms it would cost from £150,000 to £170,000 to provide the additional exits. In the meantime, the number has grown from 2,500 to 3,250 timber classrooms or their equivalents. The cost of installing these exits in all of them at present would be prohibitive, and the expert officers of the Architect-in-Chief's Department are by no means satisfied that they are necessary or, in fact, desirable. With the Premier's authority an experiment was carried out earlier this year at the Plympton Primary School at the suggestion of the honourable member. Officers of the Education Department, the Architect-in-Chief's Department, and the Schools Committees Association were present with the honourable member, but I think the experiment was not considered entirely satisfactory to all parties. Now, however, Mr. Bermingham, Works Manager of the Finsbury Works Division of the Architect-in-Chief's Department, in my opinion an extraordinarily efficient person, has completed two types of escape exit at the Magill Primary School. He considered that from the point of view of an experiment this school would be the better.

One of these escape exits is a modification of the one which was installed and tried out at the Plympton Primary School earlier this year. This consists essentially in fitting the hopper window frame on one of the windows in such a way that it can be completely removed easily and quickly and the children can then leave the room through the open window. The modifications now installed include the provision of vertical rails outside the window to assist the children in jumping to the ground. The ease with which the hopper window frame can be removed has also been improved. The other experiment consists in the provision of an escape door under the bottom of a window. The escape door consists of a hinged panel in the side of the classroom and this panel can be kicked out easily from the inside. That is the only information I have on the subject and I have only just received it. It is purely an experiment for the purposes of inspection and discussion. It does not commit the Architect-in-Chief's Department, the Education Department or the Government to anything, but I should be pleased for representatives of the Schools Committees Association, the honourable member, or anyone else to see how the escape exits work.

Mr. Clark—Can members who are interested have a look at it?

The Hon. B. PATTINSON—Yes, they would be entitled to. I will arrange a suitable occasion for a number of members to do so.

ELECTRICITY SUPPLIES FOR RAILWAY EMPLOYEES.

Mr. BYWATERS—Has the Premier obtained a reply to the question I asked on November 10 regarding railway employees who signed agreements to have electric power connected to their rented properties?

The Hon. Sir THOMAS PLAYFORD—Yes. The assistant manager of the Electricity Trust reports as follows:—

The agreement signed by railway employees is the normal Electricity Trust agreement for extensions where a standing charge is necessary. As is the case with all tenanted properties the landlord—in this case the Railways Department—is asked to guarantee the payment in the event of the agreement not being transferred to an incoming tenant. The Electricity Trust has no reason to suppose that the Railways Department would not take over the payments in the event of a house becoming vacant and there seems no reason to depart from the standard procedure in these cases.

ORIENTAL PEACH MOTH.

Mr. KING—Has the Minister of Agriculture a reply to the question I asked on November 10 regarding Oriental Peach Moth?

The Hon. D. N. BROOKMAN—The honourable member asked a question about the outbreak of Oriental Peach Moth in the Renmark area. I have received the following report from the Director of Agriculture:—

The eradication of Oriental Peach Moth in the Renmark district, providing there are no further outbreaks still undiscovered, should not be as difficult a problem as a San Jose Scale outbreak.

The honourable member referred to this also. The report continued:—

This is due to the nature of the pest and the effectiveness of new insecticides. A survey has just been completed and 23 properties in one continuous area carry infested peach trees. Outside this area no sign of the moth can be found. Now that the position of the outbreak can be assessed a programme is being drawn up. If found necessary to compel growers to apply recommended measures the necessary regulation will be recommended.

It has been found that when anything like this crops up in a horticultural district there is rarely any need for stringent regulations because the growers appear to understand the position very clearly and have always been willing to co-operate.

WATER RESTRICTIONS IN NORTHERN AREAS.

Mr. LOVEDAY—Is the Minister of Works able to give a general report on the effect of the restrictions on the consumption of water from the Morgan-Whyalla pipeline, and in particular the effect on consumption in Whyalla?

The Hon. G. G. PEARSON—All I can say is that the Engineer-in-Chief discussed this matter with me earlier this week and, generally speaking, his report was that the restrictions had produced the results that were expected, and that the result of the curtailment of the use of sprinklers followed the pattern that usually follows this kind of restriction. I did not discuss with him any specific areas or towns, nor did I discuss at length future policy, but he is satisfied that the restrictions have produced the expected results.

Mr. QUIRKE—Everyone agrees that the restrictions on the Morgan-Whyalla main are due to the necessity to conserve water passing through that main, but in one or two particulars the restrictions are probably having an effect that was not appreciated at the beginning. Use of the water from this main for

roadmaking purposes is prohibited, and this affects the District Council of Clare, which is in the middle of its roadmaking programme. As all members are aware, laying a road for sealing necessitates compacting the road with the use of water. The Clare corporation has arranged to obtain water from a private bore, but the supply is slow, and it increases the cost of the work. If permission could be granted to take every second tankful from the main it would allow the supply tank at the bore to fill in the interval of transportation, thus effecting a saving in time and costs. The quantity would probably not exceed 20,000 gallons, and that would be taken over the duration of the job. Whilst councils appreciate the urgent necessity to conserve water, the existing system, by increasing costs, is affecting the amount of road sealed. Will the Minister of Works state whether the position can be alleviated along the lines I have indicated for the rest of this programme, which will not be long?

The Hon. G. G. PEARSON—I am glad the honourable member appreciates that in the first instance restrictions are necessary and that it is not possible, having found it necessary to impose them, to accede to special requests which, of course, immediately arise the moment such restrictions are gazetted. We have had requests for the variation of restrictions in favour of certain people who have felt that they have had a good case for special consideration. However, if we make exceptions without the closest scrutiny the effect of the restrictions breaks down. Regarding the matter raised by the honourable member, it was brought to our notice almost immediately upon the gazettal of the restrictions that certain councils were seriously embarrassed in their road programmes because they had depended on the main as a source of supply and had no other source available, so prompt action was taken to amend the by-law to provide that such applications could be considered. Under the by-law as originally drafted it was not possible to consider them, but the amendment provided they could be considered, and the decision as agreed between the Engineer-in-Chief and me was that where a council requested a water supply for roadmaking purposes the Engineer-in-Chief would refer the request to the Commissioner of Highways so that his district engineer in the locality concerned could examine the matter and make a recommendation. Now that the honourable member has raised this matter in respect of this council, I will ask the Engineer-in-Chief to obtain a

report through that channel to see whether or not, in the opinion of those able to assess the matter reliably in an unbiased way, the request should be granted—or whether it should be partially granted.

ELECTRICITY SECURITY DEPOSIT.

Mr. CORCORAN—My question relates to demands made by the Electricity Trust on two householders at Tantanoola for a £5 deposit to be paid before electricity is installed in their homes. A letter from Councillor M. J. Peters, of Tantanoola, states:—

I spoke to you at the Tantanoola Show regarding the trust's demand for the payment of £5 from one or two people now that they have electric energy supplied to their homes. I think there are only four or five homes in the town not linked with the trust's supply as yet. All of the homes are receiving power, as are also those homes along the line from Tantanoola to Apeel, yet to my knowledge there are only two people who have received notice of payment. I do not know if the trust intends to send a notice of this type to every home in South Australia receiving power. If it does, it will receive many thousands of pounds of interest-free money. Please find enclosed a copy of the letter received by these people.

The following is a copy of the letter sent by the trust to the people to whom I have referred:—

We thank you for your application for the supply of electric energy at the above address and advise that it is necessary for you to lodge a deposit of £5. This deposit is required as a security against the payment of future accounts and will be refunded less any amounts which may be owing to the trust when you cease to be a consumer. A condition under which electric energy is supplied is that payment must be made within 14 days of the rendering of an account. We shall appreciate receiving your remittance by October 8, 1959. Has the Premier any information on this demand?

The Hon. Sir THOMAS PLAYFORD—If the honourable member will give me the correspondence to which he has referred I will obtain a report from the trust, and hope to clear up the matter for him.

PORT PIRIE HIGH SCHOOL LAND.

Mr. McKEE—Has the Minister of Education a reply to a question I asked last Tuesday regarding the purchase of land at Port Pirie by the Education Department?

The Hon. B. PATTINSON—Following on a visit to Port Pirie by the Assistant Superintendent of High Schools and the Property Officer of the Education Department, at the request of the honourable member, the Corporation of the Town of Port Pirie advised

that it was prepared to make an area of approximately three acres available to the Education Department as additional land for the Port Pirie High School. Certain of the land, however, will not be available until the existing transformer house is dispensed with at some future date. The corporation is prepared to make the land available subject to certain conditions which will entail:—

(a) The Education Department accepting responsibility for compensating the Corporation regarding the dismantling and removal of certain buildings on the property.

(b) The Education Department paying the cost of removal of certain overhead power lines which at present traverse quite a distance across the property in question.

(c) The valuation being placed on the land by the Land Board to enable negotiations for the land itself to proceed.

The Architect-in-Chief has been asked to provide an assessment of the amount of compensation relating to (a) and (b). When this assessment has been received, the Land Board will be asked to place a valuation on the land and I will then be in a position to submit the matter to Cabinet for consideration.

SOUTH-EAST RAILWAY SERVICE.

Mr. RALSTON—Last August I asked a question concerning the desirability of remodeling second-class compartments on the Blue Bird rail service to the South-East to the standard of first-class compartments, as the Deputy Railways Commissioner had advised that the department intended to continue the practice of charging first-class fares for second-class accommodation on this service. I understand the Minister of Works, representing the Minister of Railways, now has a reply.

The Hon. G. G. PEARSON—My colleague, the Minister of Railways, has now received a report from the Railways Commissioner, stating that the car to which the honourable member referred is a non-power air-conditioned car which is provided with 32 first-class seats and 44 second-class seats. These cars work in an integrated service on the Port Pirie and Terowie lines as well as the Mount Gambier line. It is in the lastnamed service that the first-class accommodation is sometimes overtaxed, and investigation shows that this occurs only on 10 per cent of the trains. On these occasions, the second-class portion of the non-power car is available for the sole use of the

few overflow first-class passengers. The Railways Commissioner believes it is reasonable to say that the second class accommodation in this car compares favourably in comfort with the first-class accommodation in other country passenger cars and therefore the few occasions when a first-class passenger may be obliged to use this accommodation—all of which is reserved for him—should be no cause for serious complaint. The Commissioner regrets that he is unable to agree to the request.

SEPARATE ENFORCEMENT OF WARRANTS FOR MONETARY PENALTIES.

Mr. DUNSTAN—Did the Premier notice in the press last week the statement made by the Police Magistrate in the Adelaide Police Court concerning a case in which the Police Magistrate had issued a warrant for the imprisonment of a man who had come before him for the enforcement of a penalty and had desired that a warrant be executed concurrently with a sentence which the Magistrate had then imposed for another offence? I ask the Premier whether it was not the case that, when this matter came before the Police Magistrate again, the Clerk of the Adelaide Police Court (Mr. Dicker), himself a Justice of the Peace, gave evidence on oath before the court that he had seen Inspector Lenton of the Police Force and had specifically informed Inspector Lenton of the Police Magistrate's wish that the warrant be executed concurrently with the term of imprisonment that had been imposed by the Police Magistrate for the other offence? I have checked that evidence and I know it to have been given because I have seen the file. Is it a fact that the Chief Secretary last week made a public statement in which he said that he had had a report from Inspector Lenton as to what had occurred, and that Inspector Lenton had said that his only association with the case was that he had been approached by the Clerk of the Court on the Police Magistrate's behalf for information as to the police instructions on the enforcement of warrants and that he gave it, but that since 1954 there had been a standing instruction to the Police that as a general policy warrants for the enforcement of monetary penalties should be enforced separately? Did the Chief Secretary say, "I am informed that no request was ever made to the Inspector to issue this warrant, nor did he ever see it?" I ask the Premier, if that is what the Chief Secretary said, what action has been taken

either against Inspector Lenton for untruthfulness, if that were the case, or against Mr. Dicker for perjury, if that were the case, because it is one or the other on the facts that have now transpired? I further ask him whether there is not an instruction from the Attorney-General's Department to the Magistrates at the Adelaide Police Court that, in fact, warrants for the enforcement of monetary penalties shall be issued immediately upon default being shown?

The Hon. Sir THOMAS PLAYFORD—I have no personal knowledge of this matter. A very violent attack was made upon the police officer, and the Chief Secretary made an investigation and a report to Parliament on the result of his investigation.

Mr. Dunstan—If the report is correct, perjury would appear to have been committed.

The Hon. Sir THOMAS PLAYFORD—I resent the attitude, so often adopted, that the police are always in the wrong. The public generally have a high regard for the police and the action they take in trying to enforce the law properly and justly. I feel that a section of the community always delights in trying to pull the police down in some way or another.

Mr. Dunstan—Do you say that includes the Police Magistrate?

The Hon. Sir THOMAS PLAYFORD—The police are doing their job. I will inquire specifically into the further allegation the honourable member has made. If, as the honourable member says, it is the word of the police against someone else I do not know how that problem can be solved, but I will look at it.

MEAT DELIVERIES.

Mr. O'HALLORAN—Last week I raised a question concerning some confusion that had arisen over meat deliveries from the Metropolitan Abattoirs. Can the Minister of Agriculture say whether this matter has been investigated?

The Hon. D. N. BROOKMAN—Some dislocation of meat deliveries took place in the week of the butchers' picnic. I informed the Leader earlier that a conference was to be held. It was held on Tuesday and a number of points that were discussed are being investigated. The manager of the abattoirs does not expect any further trouble with deliveries in the near future or during the Christmas period.

The board has had in mind for some time the question of a meat hall and in January, 1958, it met a large number of persons interested in the trade and had discussions about it. A meat hall suitable for the abattoirs would cost more than £250,000, possibly almost £500,000. It would be welcomed by the board in many ways because it would relieve it of the necessity of delivering meat. However, it would not necessarily be welcomed by all butchers who would have to make other arrangements for collecting meat from the hall. If there was a meat hall, once the abattoirs put meat into it its responsibility would end. Under the present system it delivers the meat for the butchers. The Abattoirs Board is not a Government body. It was established under a special Act of Parliament and replaced the former local government control. No person connected with the abattoirs need feel apologetic about what is going on, and I know that the Leader will agree with me that in general the board has nobly risen to meet a great crisis. This is an extremely dry year and in the last 11 weeks about 1,000,000 sheep and lambs have been slaughtered, which far exceeds any previous slaughtering. I am frequently in touch with the management and I know of no body more ready to grapple with any difficulties that arise and expeditiously overcome them.

No. 4 BORE, NARACOORTE.

Mr. HARDING—Has the Minister of Works a reply to my recent questions about the No. 4 bore at Naracoorte?

The Hon. G. G. PEARSON—The honourable member asked a series of questions about this bore and I will collate the answers as best I can into a consolidated statement. The screen has been placed in position in the bore and has proved to be satisfactory. The total solid matter contained in the water is 86 grains a gallon, which is better than expected because early indications were that the quality of water would be slightly above 92 grains. This bore was brought into commission on November 6 and since then has operated for 100 hours and has given an hourly discharge of 12,600 gallons. The total depth of the bore is 560ft. and the water level is at 125ft. The pump is located at a level of 260ft. from the surface. With the discharge of 12,600 gallons an hour the fall in the water table is 8ft. The pump installed at present is the correct pump for the purpose and for that discharge.

TELEVISION SALESMAN.

Mr. HUTCHENS—My question concerns a transaction that took place in the district represented by the member for Semaphore, whose work I am performing during his illness. It is alleged that a salesman approached a lady living in a temporary home and invited her to have a test view on a television set. She declined, saying that she could not afford a set and did not want one. Later, it is alleged, when she was away one day, the salesman came and, by pushing a child through a window, secured entry to the house and installed the set. The next day, by sales talk, he persuaded the lady to sign a contract and led her to believe that he was treating her kindly. He told her that he was to take away a wireless set as part payment. She said that she could not give it to him as it was under hire-purchase, but he convinced her that her husband had given instructions for its removal as part payment for the television set and that the husband would pay off the balance outstanding. The husband denies giving those instructions and payments have not been made. Efforts by the lady and by Mr. Tapping to secure the return of the wireless set to ensure that the woman is on the right side of the law in respect of the hire-purchase agreement have failed, and the television set has been taken away. Incidentally, she can establish that the television set she had did not comply with the set described in the agreement. Such tactics by the salesman are contrary to the desires of hire-purchase companies and detrimental to persons subjected to high pressure salesmanship. If I make letters and documents available to the Premier will he inquire to ascertain whether this house was illegally entered and whether the wireless set was obtained by fraud? If that is the position will he take action to bring the person to book?

The Hon. Sir THOMAS PLAYFORD—If the honourable member will let me have the documents I will refer them to the Commissioner of Police for the necessary investigation.

SAN JOSE SCALE.

Mr. BYWATERS—Has the Minister of Agriculture a reply to my recent question about San Jose scale and the damage caused to peach trees through the spraying of dormant oil?

The Hon. D. N. BROOKMAN—The Director of Agriculture reports as follows:—

There appears to have been some damage to a number of trees and the affected ones have been inspected. The trees are now rapidly

recovering as they make the strong growth normal for this time of the year. There is a varietal susceptibility. Some varieties of clingstone peaches are affected while Elbertas side by side are completely unaffected. There is also an effect related to tree vigour. Those on unsuitable soil are showing the severest symptoms. The true picture of tree health and any effects on cropping cannot be determined until much later in the season. The progress and yields of the trees will be carefully watched throughout the present growing season.

EYRE HIGHWAY.

Mr. LOVEDAY—As it has been stated that the Eyre Highway will be constructed as soon as the Lincoln Highway has been completed, will the Minister of Works get a report as to the route which the Eyre Highway will follow, and at which point it will leave the Lincoln Highway?

The Hon. G. G. PEARSON—I will refer the matter to the Minister of Roads for a considered reply.

TIMBER HAULING.

Mr. RALSTON—Recently timber hauliers have been prosecuted for overloading when engaged in carting pine logs from south-eastern forests to the sawmills. In some cases the excess has been only nominal: in fact, a matter of a few cwt. I understand that the contract price for the haulage of pine logs to both Government and private mills is estimated on the formula that 400 super feet of pine timber in log form weighs a ton, which formula is acceptable to the Woods and Forests Department, the hauliers, and private mills. I understand that the weight can vary slightly, although only slightly, because of the type of soil on which the timber is grown. In practice, every log is measured in the forest prior to loading, so the number of super feet in each load is easily ascertained by the use of a table of measurements, but it is virtually impossible to know the exact weight of a load in the forests. Will the Minister of Forests consider recommending that where the super feet tonnage is within the load limit range, according to the formula mentioned, it will constitute a defence for pine timber hauliers when engaged in hauling pine logs from south-eastern forest areas in the event of a prosecution for overloading, or, failing that, that a slight latitude be allowed before an offence occurs?

The Hon. D. N. BROOKMAN—True, 400 super feet is generally accepted as weighing about one ton. The honourable member asked me to recommend that latitude be given in the

administration of the Road Traffic Act. As a Bill amending that Act is now before Parliament, it would be hardly proper for me to make a recommendation as suggested, even if I wished to do so. I personally doubt the wisdom of doing anything in the matter. People engaged in the carting of the same material day after day are able to know fairly accurately the weight of a load and I think there is some inexpensive apparatus to help them check their weights, so I will not take it up. As the matter is before Parliament I think it would be unwise for me to comment further.

BOTTLE MENACE ON ROADS.

Mr. CORCORAN—Has the Minister of Works anything further to report about the bottle menace on roads? Is it proposed to act in accordance with the request of the Local Government Association? If the Minister has no further information, will he expedite the matter?

The Hon. G. G. PEARSON—I think I told the honourable member only last week that I had endeavoured to help him in this matter. I said I thought he was persistent, and I went to some trouble to explain that I did not blame him for his persistence, because it was a difficult problem. I think I said that there was no apparent answer to the problem from the legal point of view, and that being so there did not appear, after a long investigation by officers of the Highways Department, to be any solution to the problem.

Mr. Corcoran—They could say that.

The Hon. G. G. PEARSON—I think I said it.

Mr. Corcoran—They haven't.

The Hon. G. G. PEARSON—I will ask the Minister to say it, if the honourable member so desires, but I think I can take the responsibility now for saying it.

ELECTRICITY CHANGE-OVER COSTS.

Mr. BYWATERS—It is proposed to extend electricity supplies from Mannum to Nildottie, but because high change-over costs are involved the charge to consumers is expected to be high. Several prospective consumers have approached me about the high cost and said that they would find it difficult to get the finance immediately. The present contract between the trust and the consumer requires that an immediate change be made. Will the Premier take up the matter with the Electricity Trust to see whether a gradual change-over can be made, say over two or three years, to assist

people in country areas where the change-over cost will be high?

The Hon. Sir THOMAS PLAYFORD—The trust submits a favourable proposition in connection with country extensions, and it loses money. As the trust continues to make country extensions the amount contracted for is obviously being paid. We have many country extensions. If these people are not prepared to take any responsibility the only thing to do is to transfer the operation to another place where people are anxious to pay the amount. I will get a report from the trust. I have no personal knowledge of the matter, but frequently an application is made to the trust for an electricity supply and a certain quantity of electricity is paid for, but when the trust looks at the application it is told that some consumers will not want power for a considerable time. Of course, that alters the economic structure of the undertaking.

HIRE-PURCHASE AGREEMENTS BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) obtained leave and introduced a Bill for an Act relating to the form and content of hire-purchase agreements, the rights and duties of parties to such agreements, and for other purposes. Read a first time.

HOSPITALS ACT AMENDMENT BILL.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer) obtained leave and introduced a Bill for an Act to amend the Hospitals Act, 1934-1958. Read a first time.

The Hon. Sir THOMAS PLAYFORD—I move—

That this Bill be now read a second time.

This Bill does two things. Clause 3 amends the provisions of the principal Act empowering the Director-General of Medical Services to fix rates of payment for the maintenance of patients in public hospitals. At present the Director-General can fix a daily rate, but the Government has been advised that this means that a uniform flat rate must be charged to all in-patients. The amendment will enable the fixing of daily, weekly, or other periodical rates and the fixing of different rates under differing circumstances. The amendment will also empower the Director-General to fix a special rate in special circumstances in individual cases.

Under normal circumstances people would expect to pay higher rates for intermediate or private accommodation than for public ward

accommodation and there seems to be no good reason why all the rates should be the same irrespective of the type of accommodation provided. There seems to be likewise no good reason why the same rate should be paid in respect of all accident victims whether covered by compulsory third party insurance or not. Public hospitals are supported by the general public through governmental or local governmental or direct private contributions and, while they do of course perform an important public service, it appears to the Government reasonable that they should be conducted in accordance with reasonably sound business practices. If all are to be charged alike there is the serious risk that the rates fixed will be unnecessarily high. For this reason it is the view of the Government that the power to fix differential rates proposed by this Bill should be given.

The other matter covered by the Bill is an addition to the existing provisions of the principal Act empowering the remission of amounts payable for the maintenance of patients, which will make it clear that the power may be exercised from time to time in respect of the same debt. An opinion obtained by the Government some years ago suggested that once the Director-General had exercised his right to remit in respect of one debt, as, for example, by partial remission, he could not subsequently exercise his powers again in respect of that debt—for example, by writing off the whole debt. The present amendment is designed to clear up any doubts on this point.

Mr. O'HALLORAN secured the adjournment of the debate.

LOTTERY AND GAMING (CHARITABLE PURPOSES) BILL.

Second reading.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—I move—

That this Bill be now read a second time.

Section 19 of the Lottery and Gaming Act, 1936-1956, sets out the maximum number (per annum) of ordinary and charity race-meetings at which each club holding a licence for the purpose is entitled to use the totalizator. When all the racing fixtures have been allotted for the year 1960 in accordance with that Act, there will be one Saturday remaining unallotted and the Government proposes in this Bill to provide for the issue of a totalizator licence to enable a charity race meeting to be held on that day.

Subsection (4) of section 15 of that Act also provides that not more than one licence shall be granted to any one club in respect of any one year. Clause 3 accordingly provides:—

by subclause (1) that notwithstanding those provisions of the principal Act, a totalizator licence for one race-meeting to be held in the year 1960 may be issued to such racing club as the Chief Secretary approves;

by subclause (2) that the licence

(a) is additional to those issuable under the principal Act,

(b) is to be issued for the purpose of holding such charity race-meetings for the benefit of such institution or institutions as the Governor may determine; and

(c) shall be issued subject—

(i) to the condition that the net proceeds of the meeting are to be paid to that institution or distributed among those institutions in accordance with the directions of the Governor, and

(ii) to such other conditions as the Chief Secretary approves; and

by subclause (3) that the club shall comply with every term and condition subject to which the licence is issued.

Mr. FRANK WALSH secured the adjournment of the debate.

VINE, FRUIT, AND VEGETABLE PROTECTION ACT AMENDMENT BILL.

Returned from the Legislative Council without amendment.

UNDERGROUND WATERS PRESERVATION BILL.

Received from the Legislative Council and read a first time.

SUCCESSION DUTIES ACT AMENDMENT BILL.

Adjourned debate on second reading.

(Continued from November 12. Page 1598.)

Mr. FRANK WALSH (Edwardstown)—I do not support many matters set out in this Bill. The only clause that I can commend is that relating to the remission of duty on property given by will to the University of Adelaide and other institutions. This measure seems to have been brought in by the Government to assist a certain section. Many questions have been asked during this session by

members opposite, particularly the member for Gouger (Mr. Hall), which have indicated their concern for the property owned by primary producers. I believe there is a solution to this problem but, before I state it, I will examine the contents of the Bill. New section 55e provides, among other things:—

“land used for primary production” means land as to which the Commissioner is satisfied that it has been during the whole period of five years immediately preceding the death of a deceased person used by that person or the wife or husband or any descendant or ancestor of that person exclusively for the business of primary production . . .

New section 55h (2) provides:—

No rebate shall be allowed under this Part unless the Commissioner is satisfied that the widow, widower, descendant or ancestor as the case may be, intends to use the land for primary production. The Commissioner may for the purposes of this section require the widow, widower, descendant or ancestor, as the case may be (or the guardian of any descendant being a minor) to make a declaration of such intention and may require any further statement, declaration, or information which he may deem necessary.

In the electoral district of Barossa, along the North-East Road much land has already been subdivided. This afternoon the member for that district referred to the number of allotments already sold. Much of that land is near land being used for primary production. As subdivisions have been permitted in that area the value of much of this land being used for primary production would be £500 to £600 an acre on today's valuation, so it would not take very much land for an estate to come within the provisions of this Bill. The Bill provides for improvements to the land, such as houses, fencing and other things, but not necessarily plant and machinery, which could be movable.

I am concerned about the person in secondary industry, who perhaps has a small business concern in which his family is engaged. He receives no consideration, and this is evidently a further attempt by the Playford Government to enforce class legislation. As the member for Adelaide (Mr. Lawn) has said, the very system of representation in this State provides for classes immediately. This is further class legislation that will benefit only a limited number of people.

Mr. Lawn—The Government looks after its own.

Mr. FRANK WALSH—This Bill indicates that it does. If it is desirable to give the primary producer a further concession, could something not be done about the unimproved values

rating system? What attempt has ever been made to introduce other provisions so that the problems sought to be solved by this Bill can be more adequately tackled? Under such provisions the landowner would have made, through land tax payments, a contribution that could be taken into account ultimately when assessing probate duties.

The only clause in this Bill that has merit is the last clause. I assure the Government that from my point of view the Bill is an attempt to give some sort of a sop inducement to a certain class. For example, in the Barossa electoral district we find subdivided land on one side of the road and broad acres on the other, yet this Bill provides protection only for the primary producer, and is an example of class legislation.

Mr. LAUCKE (Barossa)—I find myself completely at variance with the member for Edwardstown and the view he has expressed regarding this Bill. It is not class legislation, but most desirable legislation that will enable old established farming families to continue as farmers in their own right. I am afraid the honourable member does not appreciate the conditions and background in many cases of the operations of farmers throughout the State.

I have been most concerned to note the number of old established farming families whose sons expected to be farmers but who have suddenly found themselves, through heavy demands for ready cash to meet death duties, unable to continue as farmers in their own right. This Bill will ensure, to some degree, a lesser impact of the cash call for death duties which could place the primary producer in an impossible position.

This Bill has two very laudable objects. The first is to provide rebates of succession duty payable in respect of land that has been used for primary production for five years prior to the death of a deceased person where the land is left to the widow (or widower) or a direct ancestor or descendant of the deceased, provided that the person taking the land intends to continue to use the land for primary production. The second object is to provide a complete remission of duty in the case of property given by will or non-testamentary disposition to the University of Adelaide, School of Mines, Waite Agricultural Research Institute, the Institute of Medical and Veterinary Science, to non-profit hospitals and certain benevolent institutions.

I have no doubt that the first object of the Bill will materially assist in enabling continuity of tenure of old family lands by

members of the deceased's family. To fully appreciate the virtues of the proposals one must have a knowledge of what goes on in so many instances of father and son relationship on the land, where the son works on the farm with his father for a given reward, not that which he would receive were he working for an outside party, but some reward and the expectancy of ultimately becoming the owner of the property. I feel that there is a misconception in many minds as to the wealth of the farming community generally. Many farmers are not wealthy and often do not have very big cash reserves; they may have assets in land, buildings and plant, but not in ready cash, and there may be mortgages on the property that have existed for many years. The son assists the father to meet his commitments, and he renders that assistance without adequate recompense temporarily but with the expectation, as I have stated, of becoming the proprietor in due course. The time comes when the father passes on and the son is then called upon to pay in hard cash a given amount of succession duties. If he finds that the encumbrances on the farm are such at that stage that he will receive no further assistance from outside financial bodies, then he must dispose of his property to meet the money on call for death duties.

In those circumstances continuity of tenure is rendered impossible through a Government demand for taxation in the form of these duties. There is nothing, in my opinion, more tragic than to see the continuation of a farming enterprise frustrated by this sudden call for a large amount of ready cash to meet duties. Anything tending to deprive a person of the opportunity to carry on his father's enterprise is anathema to me. In this I feel that perhaps the member for Edwardstown and I differ regarding land ownership rights. I believe that private ownership of land is basic to a healthy expanding economy and to a happy people. I believe the honourable member would possibly prefer to see land in the hands of the State and not of individuals. It must be so because he has condemned that which would seek to provide for the retention of land in the hands of individuals. I can make no other deduction from his words than that he is opposed to individuals owning land. Quite candidly, I regard overburdensome succession duties as a form of usurpation of private rights. I do not like succession duties. I have no objection to taxation paid on current earnings, because such taxation is necessary for the good conduct

of the nation, but to take away something that has been built up through succession duties is entirely wrong.

The need for this legislation stems from the fact that in many instances land used for primary production purposes has assumed capital values far in excess of realistic values. Frequently, death duties are based on values determined by prices obtained for adjoining land. A wealthy person may want to buy land in a given location and he pays a price far exceeding the true value. He is not thinking of the land as a sound investment and pays an exorbitant and stupid rate. When succession duties are applied to an adjoining property they are consequently based on an unrealistic valuation. Under this legislation, where the total value of a property does not exceed £20,000 there will be a rebate of duty of 30 per cent; where the value does not exceed £30,000, the rebate will be about 27 per cent; with a value not exceeding £70,000, 18 per cent, and with a value of £128,000 a rebate of about 12 per cent. As the value of the property increases, so there is a decreasing percentage of rebate available. That is fair, because there is a greater ability to meet a commitment in the higher bracket values, but the rebate on properties valued at £20,000 will have a real and permanent effect in enabling farmers to continue as such in the footsteps of their fathers. I heartily commend this legislation as it will materially assist in enabling the private ownership of land by individuals whose forebears were landholders. I support the Bill.

Mr. FRED WALSH (West Torrens)—I oppose the Bill. It is like the curate's egg, and it is because of its bad parts that I cannot support it. Last night the Treasurer, when discussing other legislation, sounded a warning regarding concessions to primary producers, and I think that warning holds equally good for this legislation. I do not agree with the views expressed by the member for Barossa, particularly his assertion that the member for Edwardstown suggested there should be no privately-owned farms. I think he was carried away by a published report of a recent television interview of a Labor member. The report took statements from their context and created a wrong impression. The Labor Party does not desire the control of land by the State. We believe that farmers should control and conduct their own land. Mr. Laucke said that many people take

it for granted that farmers are a wealthy class. There are some farmers who are not wealthy, in the real sense of the word, but there are others who are moderately wealthy and some who are really wealthy. However, there are many who may not be wealthy at the time of the decease of a forebear but who become wealthy as a result of his will. If the honourable member is sincere—and I have never questioned his sincerity—in opposing succession duties, I suggest he examine the position as it affects a person who may be in business with his parent as a minor partner. When the father dies he leaves the major share of the business to the son, who is as much in need as a young farmer is of ready cash to carry on the business, and if he is not free from succession duties he is in difficulty. He has as much right to entitlement as the primary producer. There is a tendency by members opposite to continue granting concessions to primary producers, but I point out that no matter what we do to encourage primary production we have certain limitations because of our climatic conditions, and we cannot go beyond that limit. If there are to be benefits by way of rebates on succession duties all sections of the community should share them.

Kuitpo Colony is conducted by a church organization and is engaged primarily in primary production. It frequently benefits from deceased persons' estates, but is it covered by this legislation? It would not be covered by the first four clauses of the Bill, but it may be covered by the fifth clause. I believe that various charitable organizations should be able to benefit, and I refer also to the District and Bush Nursing Society. It is questionable whether such an organization would be covered by this legislation.

Mr. Laucke—Would "benevolent" cover it?

Mr. FRED WALSH—No, because the provision refers to a "benevolent institution or benevolent society in the State for the full-time care and maintenance of aged, indigent or infirm persons or of children." This is not a full-time organization, but it would be wrong to suggest that its members do not render a valuable service to the community, particularly to the aged and infirm people. Such organizations depend entirely on charity and most members are asked to subscribe in some way or another to the branches in their districts. The West Torrens Corporation has a unique method of drawing attention to the need for financial assistance by this organization: in its rates notification it includes an appeal for funds and

when a person is reconciled to the high rate he has to pay he frequently decides to send an additional guinea to help the organization. It is proposed to grant concessions to primary producers, but not other sections of the community, and I think this can be regarded as class legislation. We should consider the position more closely. As the Treasurer said last night, there is a definite limit to the granting of concessions to primary producers.

Mr. HALL (Gouger)—My views on succession duties were put plainly when I discussed the matter during the Address in Reply debate this session. Mr. Frank Walsh says that this Bill represents class legislation. I do not agree with that entirely, but the imposition of succession duties in relation to the living part of farm operations is class legislation. This Bill provides some alleviation of the effects of that. The honourable member says that industry should get a rebate in this way if primary production can get it, but never has there been such an inflationary tendency in the value of farm land, and it has resulted because of the shortage of good farm land. The position has been demonstrated by the transfer of some South Australian farmers to other States where they are well known for their good farming methods.

It is held in country districts that it is unfair to impose land taxation. I agree with the statement that there is nothing fairer than a tax on income, but land taxation is most unfair, especially in a season like the present one. I do not agree with Mr. Laucke that the passage of this Bill will make the payment of succession duties easier; I think it will make the payment less difficult. I contend that because income tax has been paid on the return from a property it is unfair to impose a further tax on the property by way of succession duties. These duties hit a family hard where one son and several daughters are left. Often the estate is divided into equal shares, but frequently the succession duties and the Federal death duties are too high for the son to carry on farming operations and he has no alternative but to sell the property in order to pay the amount owing. This sort of thing is not conducive to the proper conduct of the State. In the Address in Reply debate I said that on any sized property there is a first portion of its value that supplies a living wage to its occupier and when it is handed down it is comparable to the rights of workers in industry. I still believe that. My only criticism of this Bill is that I do not

think it goes far enough in connection with the living part of the property.

To prove my point I have made several calculations, which I will give to members. I have taken as a living area—and I have in mind an area in my district because I know something about it—625 acres valued at £40 an acre. This would mean the payment of succession duties on £25,000, and at the old rate it would be about £3,400. By calculating in accordance with the provision in the Bill the rebate would be £952, leaving £2,448 still to be paid. I believe that, coupled with the Federal duties, is too large a sum to be paid on that sized property, and it creates a hardship. In order to make a comparison I took a property of 2,800 acres at a value of £40 an acre, which gave £112,000. The State succession duties on that amount would be £20,475. The rebate would give an amount of £2,925, leaving £17,550 still to be paid. I think the rebate is justified because values are based on inflated prices, but I also think that there is more reason to give relief to the smaller properties than to the larger. I support the Bill but I think that the smaller sized properties are hit tremendously. I hope that in the near future there will be an extension of some of the provisions in the Bill.

Mr. LOVEDAY (Whyalla)—I oppose the Bill. It seems to me that its supporters have missed the real reason for our opposition to the measure. The opposition arises from the fact that the Bill singles out one section of the community for a special concession. If it is a hardship for the primary producer to pay the duty is it not a hardship for other people to pay it? People engaged in small businesses have family relationships no different from the family relationships referred to by Mr. Laucke. There is no reason why these business people should not receive the same consideration as the primary producers. The Treasurer has said that it is time the granting of special concessions to primary producers was brought to a halt.

We are told that in some activities increased charges have had to be made because of the position of State finances. There are to be extra charges for hospital services. We have already had additional charges on public transport and there are to be increased charges for water services, and an increase in interest rates. How can anyone justify special consideration for one section when all these extra charges are being imposed? It has been said

that we must help farmers to continue in production and no-one will deny that, but surely it is not contended that if people vacate farms no-one will take their places. Mr. Hall said that the high value of land in this State was due to the shortage of good farming land. No-one can say that there is a shortage of young men waiting to go on the land. If a farm becomes vacant there is no doubt that an experienced person will be ready to take it over. I do not suggest for a moment that the family that has been on a farm for a long period should not be allowed to stay there, but if they are to be helped to do that why should not people associated with business be helped in the same way? Why should one section of the community have a special concession? If we provide that concession it represents a discriminatory favour. Whether this is class legislation or not, it is definitely a discriminatory piece of legislation. I was interested in Mr. Hall's remarks about the shortage of farm land, but I recall that the Treasurer said:—

I think they have realized that our primary production lands today, owing to circumstances completely removed from anything that can be gained from primary production, have assumed capital values far in excess of their actual primary production value; but, when it comes to paying probate, those properties are assessed upon the fictitious value, and the person who is left to carry on primary production is frequently in very difficult circumstances indeed.

That is undoubtedly the state of affairs but, apart from the shortage of land in South Australia, the primary producers themselves are responsible for the high prices as they are prepared to pay and receive high prices when dealing in land. They cannot have it both ways. If they want to receive high prices for land and thereby place themselves in a more difficult position when succession duties have to be paid, surely they must realize their earlier actions are to some extent responsible for the circumstances in which they find themselves.

Mr. Nankivell—Why penalize the few?

Mr. LOVEDAY—The honourable member will have an opportunity to reply if he wishes. Many people who have been prepared to pay fictitious prices have made their own values and as a consequence the succession duties have been higher than they would otherwise have been. These are our main objections to this legislation. If everyone were to be treated alike there would probably be no opposition from this side of the House. If there is a hardship—and it is admitted that there is—why not bring down legislation affecting all

succession duties? Why not treat the matter as a whole instead of dealing with one section of the community in a discriminating manner? That is the whole basis of our opposition, and I oppose the Bill strongly on those grounds.

Mr. HEASLIP (Rocky River)—I commend the Government for introducing this Bill, which was called class legislation by one member, and the singling out of one section of the community for special concessions by another. Opposition members do not appreciate the position of landowners today. Over the last 12 years this State has reached an all time prosperity which has applied, not only to the primary producer, but to every section of the community. South Australians have had more money in that period than they have ever had before. Certainly, primary producers have had good years over that period because they have received high prices for wool and good payable prices for wheat, and have enjoyed favourable seasonal conditions which have enabled them to carry more sheep and reap more bushels to the acre than ever before. However, we are now in the middle of a drought; the 12 good years have finished, and all primary producers are now probably working 12 months without profit. If they have not put aside something in the past they will not be able to live over the 12 months. They are now living on what they have accumulated. They are not on a basic wage or on a wage above it, but are living on the profits they have made in the 12 years. I have lived long enough to know that droughts do not come singly, but have a habit of coming one after another.

Mr. O'Halloran—Like grapes, they are in bunches.

Mr. HEASLIP—That is so. It is not sufficient for a primary producer to have enough money to carry on for 12 months, for sometimes he must carry on for four or five years.

Mr. Riches—Land values have come down.

Mr. HEASLIP—They have not. Incomes have come down, but land values are still high. Certainly, primary producers have contributed to the high prices of land, but all sections that have been so prosperous over the last 12 years have had so much money that they have had no opportunity to invest it and, because of the record seasons and high prices for wool, have rushed in and bought land in competition with genuine primary producers. They are the people who have forced up the value of land to a fictitious value. Naturally, primary producers bringing up families want their families to carry on after them and, as

they have had to compete with outside people, they have had to pay more for land than it is worth. A member opposite said that many farmers are not the children of farmers; however, there are no better farmers than the children of farmers, who know the job because they have lived on the land all their lives.

It is foolish to say that someone in secondary industry can manage and work a farm as efficiently as the son of a farmer. Naturally, the parents of these boys want to keep them on the land, and they have been forced to pay fictitious prices for land to do this. The Bill endeavours to assess land at its real value, not its fictitious value. It provides for a reduction of 20 per cent on values up to £20,000, but I venture the opinion that it should be more than 20 per cent.

Mr. Ryan—Doesn't that apply to pensioners?

Mr. HEASLIP—That is altogether different. The things that have been so valuable in the last few years are not so valuable now. Whereas 500 sheep were worth £5,000 a few years ago, they are now a liability. This Bill endeavours to do justice to the primary producer who has to pay succession duties, and endeavours to make the payment of these duties equitable compared with those paid by other sections of the community. This is not a concession but an endeavour to make them equal in this respect with other sections of the community—nothing more or less.

The member for Gouger (Mr. Hall) said it is difficult to pay succession duties in a case where there is one boy and three or four girls. A farm is one economic unit that cannot be halved or quartered. For instance, if it is of 600 acres, it is not possible to take 100 acres for each of the daughters. In making a will, a farmer is faced with the position that he must leave either an interest in the property or a portion of its value, and his son has to pay out the succession duties. He cannot always do this, the property is sold, and the expert farmer is lost to the community. That, in my opinion, is a tragedy. What is the good of training people to become experts and then taking their jobs away from them and putting them in other jobs for the rest of their lives? That is uneconomic and wrong, and we should do everything we can to prevent it.

The Bill sets out to do two things: to equalize succession duties of primary producers and, under clause 5, to make certain gifts non-duty bearing. I do not know what institutions will be included in this provision, and I hope later we will be told more about this. I support this Bill. It is not class or sectional legis-

lation, but an attempt to do justice to one section of the community.

Mr. DUNSTAN (Norwood)—I do not intend to be very long, but the member who has just resumed his seat (Mr. Heaslip) made it clear that the reason for the measure was that primary producers were in a special class of their own and, because of inflated land values, they were hit more heavily by succession duties than other sections. I do not agree with that for one moment. True, land values have become inflated since pre-war days, but so have the values of practically every other class of property or business in South Australia.

Mr. Riches—What is a primary producer under this Bill—a grape grower?

Mr. DUNSTAN—I will come to that in a moment. The definition clause is so involved that this will be another piece of legislation that will give rise to much profit to the legal profession.

Mr. Shannon—All will not be lost.

Mr. DUNSTAN—Obviously enough, there are times when members of this House must vote according to their consciences and not their pockets. Let me turn to the allegation of the member for Rocky River (Mr. Heaslip). I know that there has been a very great inflation of values of businesses in my district. Take, for instance, the position of families who conduct the hotel trade in my district, of whom there are a number. Many of these businesses are family businesses that have passed from father to son. They have the right to expect that those businesses should pass from father to son, just as much as a primary producer has the right to expect that his business will so pass.

The inflation in the values of these businesses has been no less than the inflation in land values. This may well be because of the shortage of hotel businesses in city areas, owing to our local option poll system which restricts the number of licences, but apparently these people are not to be given the concession that is to be given to primary producers by this Bill. Where is the difference? Let me turn to the business of newsagents. The business of a newsagent has a greatly inflated value compared with pre-war days. A person cannot easily get into a newsagent's business, but has to buy it on the market at a high price. It is natural enough that a father should expect an established newsagent's business to pass to his widow or son, if the son has been working in the business with him. Why should

he be given a lesser concession than is to be given to primary producers?

Mr. Loveday—What would be the fate of a similar Bill to apply to newsagents and hotel-keepers?

Mr. DUNSTAN—We can well imagine what it would be. We had an emotional speech from the Treasurer on the way we were handing out this State's revenue at a time of financial stringency.

Mr. Hall—Do you think the newsagent's capital investment to get a living would be equal to that of the farmer's?

Mr. DUNSTAN—Yes, in many cases. His capital investment is certainly nothing like £20,000, but it is as much as the capital investment of many small people engaged in primary production and who are within the definition of the business of primary production in this proposed section. I know of people in the member for Burra's and the member for Enfield's districts who are engaged in primary production, who come under this definition, but whose capital investment is no more than the investment of a newsagent in my district.

Mr. Loveday—You are talking of the bigger boys.

Mr. DUNSTAN—Yes.

Mr. Jennings—And newsagencies are very much circumscribed by their agreements.

Mr. DUNSTAN—Yes, and that is why values are as inflated as they are. The trade is so restricted that it costs much money to get into a newsagent's business. Let me turn to the rebates. Under £20,000 there is to be a rebate of 30 per centum, and rebates are also provided on properties of a value exceeding £20,000, exceeding £40,000 and exceeding £100,000. People who are passing property to a value greater than £100,000 are to be given a rebate of succession duties, whereas a widow who inherits a property from her husband to a value of more than £3,500 is not getting any rebate at all. That is what the Government proposes to do. There are small people in my district who have to pay succession duty and find it hard to pay. People who inherit properties of a value greater than £3,500—and it does not have to be a particularly wonderful property to be worth that—are forced to pay succession duties, and some of them find it very hard indeed. I do not believe that people should have to pay succession duties in those cases on a property passing in value of less than £6,000. However, I believe that after that succession duties should be heavily graduated.

Mr. Millhouse—You would whack it on savagely?

Mr. Hall—They don't charge succession duties in Russia, and they are more socialistic than you are.

Mr. DUNSTAN—I concede that they do not charge succession duties in Russia, because their class system is steadily getting to the same sort of class system as the honourable member is advocating we retain in this country.

Mr. Millhouse—Absolute nonsense!

Mr. DUNSTAN—It is not. Russia's system is completely opposed to the beliefs of my Party, and it is a system that tends to make a class society. We do not believe that there should be a class society of that kind or of the kind the honourable member is advocating should be retained in South Australia, which was founded upon the Wakefield system and which has acted against the interests of the working classes ever since this province was founded. We have a class society in which most people in this State have never been able to determine their own Government in power, and where the poorer people of this State have the worst deal of any State in the Commonwealth.

Mr. Nankivell—Why are you advocating a new form of succession duties?

Mr. DUNSTAN—I believe succession duties should be progressively heavy. I do not believe in passing great accumulations of property from father to son, but I believe that the breadwinner is entitled to make due provision for dependants so that they are able to be provided for where they cannot provide for themselves in modest decency and comfort.

Mr. Millhouse—Would you advocate heavy estate duties rather than the present system of succession duties?

Mr. DUNSTAN—I do not object to the present system of succession duties, but I believe there should be heavily progressive succession duties. I do not believe in rebates on the higher levels; I believe in increases on the higher levels.

Mr. Hambour—Your rural colleagues can feel you doing them good. I am sure the member for Millicent and the member for Murray must be getting a big thrill out of your speech.

Mr. DUNSTAN—I am sure they are, because it is the Labor Party's policy to which they subscribe. The people of this community are being hit by succession duties, while honourable members opposite propose to give a rebate of duty on properties of a value of more than £100,000. Where is the justice in

that sort of thing? This rebate is proposed although the Treasurer protests that he cannot give social services of a level of the other States because of the financial stringency in this State. I believe that the proposed Part IVB is not a piece of beneficial legislation, but a piece of disgraceful legislation, and because of that, although I think there are good things in clause 5, I oppose the Bill. Lastly, I come to the matter of definitions.

Mr. Hall—Do you realize that a widow or child under 21 years pays no succession duty on an estate of less than £3,500?

Mr. DUNSTAN—The honourable member has obviously not been listening to what I have said. I said that a widow has to pay succession duty on an estate of over £3,500, and many widows in South Australia are not in a good financial position and are hard hit by having to pay succession duties on such an estate passing to them. Widows in those circumstances are placed in far greater difficulties than people to whom an estate of a value of more than £100,000 is passing.

Mr. Loveday—There is no comparison.

Mr. DUNSTAN—No. I can tell the member for Gouger that my Party believes there should not be a payment by a widow and dependants of succession duties on estates valued at less than £6,000. We believe that there should be rebates on the lower levels, but that when these estates get into the higher levels there is no justification whatever for passing great accumulations of property. My Party, because it is a Socialist Party, believes in the necessity of a basic equality within the community. While we believe in the retention of such differentiations of income as allow for proper incentives, we do not believe in great inequalities of wealth, and graduated succession duties are one form of ensuring that inequalities are reduced. Turning to the definitions, the definition of "land used for primary production" is as follows:—

Land as to which the Commissioner is satisfied that it has been during the whole period of five years immediately preceding the death of a deceased person used by that person or the wife or husband or any descendant or ancestor of that person exclusively for the business of primary production, but does not include land given or accruing to an uncertain person or on an uncertain event, or land devised for a term of years (other than an interest for the life of the beneficiary). . . .

Apparently, if it is devised for a term of years and not for an interest for life it does not come under this provision—

or an annuity or bequest secured by or charged upon land or any interest in land—

This means either that an annuity or bequest secured by or charged upon land is not within the definition or, alternatively, that an annuity or bequest secured by or charged upon land or any interest in land derived from a deceased person and held by that person as a shareholder in a company or as a member of a partnership, or as a joint tenant or tenant in common, is exempt. Which is it? Where do we put the comma? Perhaps someone can tell me, because I do not know, and I should think the courts would have a very gay time trying to unravel that conundrum. I draw members' attention to that part of the definition which states:—

But does not include land given or accruing to an uncertain person or on an uncertain event, or land devised for a term of years (other than an interest for the life of the beneficiary) or—

Apparently it does not include an annuity or bequest secured by or charged upon land. Is that out, or what is the position?

Mr. Millhouse—I think that everything is an exception after the words "does not include" in line 18.

Mr. DUNSTAN—We have commas in some places and not others. Which is it, and how does one determine which it is? The last alternative could be a sort of disjunctive or accumulative alternative, and how one determines which it is I do not know. I should think the court would have a gay time in deciding which it was, and I must say that I find some difficulty in deciding it. Let me turn to the definition of "business of primary production."

Mr. Loveday—A comma might be worth a few thousand pounds.

Mr. DUNSTAN—Possibly. The definition of "business of primary production" is as follows:—

The business of agriculture, pasturage, horticulture, viticulture, apiculture, poultry farming, dairy farming, or any other business (excluding forestry) consisting of the cultivation of soils, the gathering in of crops or the rearing of livestock.

What happens, for instance, if a garage man has some beehives on the block of land on which his garage is erected? Is the land used for primary production, and is the garage included in it? Where do we draw the line?

Mr. Hambour—You try that one in court: you know you wouldn't get away with it.

Mr. DUNSTAN—I do not know where the line is to be drawn.

Mr. Hambour—You know!

Mr. DUNSTAN—I do not. I wish I did. I shall be glad to hear the honourable member tell me where the line will be drawn in respect of land used for primary production where mixed functions are performed.

Mr. Shannon—There is one hurdle to get over—the Commissioner.

Mr. DUNSTAN—I agree that the Commissioner has to be satisfied that the land has been used for primary production during the whole period of five years immediately preceding a death, but, of course, the Commissioner is not the final deciding factor. One can go to the court over the Commissioner's decision and the mere fact that the Commissioner says, "Well, I am satisfied or dissatisfied as to this" is not the end of the matter. I am qualified as a proctor but I do not practise as one and I leave conundrums of this type to my partner. I do not know where the dividing line will be drawn.

Mr. Loveday—There might not be any succession duty left by the time the matter is determined.

Mr. DUNSTAN—There might not be an estate left. I have said sufficient to show that I oppose the Bill.

Mr. HAMBOUR (Light)—I can understand certain members opposite opposing this Bill but I am sure some of their colleagues are uncomfortable. Earlier this year, in his policy speech, the Treasurer promised the contents of this Bill.

Mr. Ryan—He promised a lot that he never gave.

Mr. HAMBOUR—The honourable member sits and shuffles in his seat and I know that he is uncomfortable, but I am sorry I cannot help him. This was promised in the Treasurer's policy speech and was published in the press, but when members of the Labor Party went to the people in March they did not protest about or criticize this promise. However, this afternoon they come as an Opposition to oppose it. The member for Norwood must be short of arguments when he starts fiddling around with interpretations and asking me what is a primary producer. I remind members opposite that they do not all represent metropolitan electorates. Some represent primary producers, and how, in all conscience, they can oppose this Bill is beyond my comprehension. Surely they must understand the situation as it applies to primary producers?

Mr. O'Halloran—We understand something the honourable member does not understand—the question of principles.

Mr. HAMBOUR—I know that the Leader's heart would lie behind this Bill.

Mr. O'Halloran—It would not.

Mr. HAMBOUR—I am sorry that I have not access to the Party room—not that I want it—but I think there would be much dissension over the Opposition's attitude to this Bill. I should be surprised if any member opposite would claim that it was a unanimous decision to oppose it. I know members opposite stick together and that they are a union of members, and I admire them for it, but some of them must be uncomfortable.

The SPEAKER—Order! The honourable member must address the Chair.

Mr. HAMBOUR—In March, 1962, much of this debate will be taken to the public.

Mr. Ryan—It certainly will by us.

Mr. HAMBOUR—Yes, by the honourable member. He would have the courage to tell the people of Port Adelaide. He is a mighty man, but what about the member for Murray? What about the member for Wallaroo brave heart? I will not hear him speak up in 1962. The bulk of the argument against this Bill is that it favours a section of the community.

Mr. Ryan—Yes, class distinction.

Mr. HAMBOUR—Surely members opposite have some sense of justice and some appreciation of what primary producers have given to develop this country. Last year in customs and excise \$452,000,000 was paid. That stepped up their costs of production.

Mr. Ryan—Who pays this customs and excise duty?

Mr. HAMBOUR—It comes from the producers originally. Out of the \$452,000,000 take they get back \$17,000,000, yet members opposite quibble about a concession that will enable producers to stay on the land. The Labor Party advocates decentralization. Its members should not be hypocrites. Why don't they come clean and say, "Yes, this will be a good thing for primary producers and will enable them to stay on the land?"

Mr. Ryan—Our policy covers all sections of the community, not only one.

Mr. HAMBOUR—Earlier this year I showed how the primary producer's income had been whittled away by 24 per cent since 1950. What whittles it away? The stepping up of costs. I admit that his receipts have increased from 100 to 152, but his costs have increased from a base of 100 to 223.

Mr. Stott—High tariffs.

Mr. HAMBOUR—Yes. The member for Ridley understands this question and I hope members opposite will listen to him when he speaks.

Mr. Quirke—What about the £192,000,000 they lost on wheat.

Mr. HAMBOUR—They sold wheat to New Zealand for 5s. a bushel when they could have got 12s. In the period the honourable member mentions it cost primary producers almost £280,000,000 through selling wheat below world parity.

Mr. Quirke—It was £192,000,000.

Mr. HAMBOUR—I was only £100,000,000 out and the Opposition is not concerned about £100,000,000. That does not mean a thing to members opposite. They are quibbling about a small concession of £952 in succession duties to a man who has 625 acres.

Mr. Ryan—Why don't you give a small concession to the workers and to the pensioners?

Mr. HAMBOUR—The honourable member mentions workers. I do not begrudge the worker his due. Recently he got a rise of 15s. a week.

Mr. McKee—Not the rural worker.

The SPEAKER—The honourable member is out of order in debating pensioners.

Mr. HAMBOUR—I am not debating pensioners. I say that this legislation is a small concession for the primary producer who has to meet the added cost of increased wages. He has no say in what is added to his costs. He simply has to meet them. However, the moment the Government seeks to provide some minor concession, which is all it is—and I wish it were much more—there is immediate opposition from Labor members. What do they want? One-way traffic?

Mr. Riches—What about other people who have to meet the same costs?

Mr. HAMBOUR—Mention has been made of the business man. I am amused! Suddenly the Opposition takes up the cudgels on behalf of the business man. One minute they abuse him for profiteering and the next they spring to protect him. If they are referring to the small business man, I point out that in most instances he would be exempt.

Mr. Ryan—What?

Mr. HAMBOUR—Many business men have less capital than £3,500, which is exempt. The intermediate man can look after himself. The Government must protect the primary producer who is still producing the wealth of this State. Surely commonsense would tell members opposite that there is nothing for them in opposing this Bill, unless they are trying to satisfy the member for Port Adelaide—the President of the Labor Party in South Australia. Perhaps he has introduced a new influence to the Labor Party.

Mr. Ryan—I have only one vote: I am not a dictator.

Mr. HAMBOUR—Maybe, but the honourable member is in the chair. I support the Bill and I remind the Opposition that if I am still alive in 1962 I will make a much better contribution to this question than I have today.

Mr. QUIRKE (Burra)—When this legislation was first introduced I opposed it. It has been with us a long time, but I have always opposed succession duties because the idea behind them is wrong. I know that in the past they have been used to destroy people. Lloyd George used them to crack the big estates of England and he succeeded mightily. I object to succession duties because they are aimed at the right of family succession. I support this Bill because it reduces them. If the Bill proposed instituting further succession duties I would oppose it. Because this Bill reduces an iniquitous tax I support it. I have always adopted that practice and will continue to do so. This is a rebate in connection with the land used by the primary producer, and only the land. He should not have to pay succession duties in this way. His other assets can be taxed but not the land left to his family. Today, because of the methods adopted, the land is in better heart than when the first plough went in. The value of the land today is immeasurably more important to the wealth of the country than the value in its virgin state.

Who cleared the land from the virgin state? Inside 100 years there has been a vast improvement in the land. The use of superphosphate and the rotation of cropping has been handled intelligently by the farmer and all he has done has been in the interests of the State, although he has taken his income from the land. We are told that the primary producers represent a privileged section of the

community. They are privileged, but privileged to pay more for things than other people. What about freight charges? Almost 100 per cent of the total amount paid in freight charges to the railways comes from the primary producers.

Mr. Fred Walsh—Would the State have been developed if it had not been for the railways?

Mr. QUIRKE—Who developed the land? The development was done by the primary producer who is getting a little relief under this Bill.

Mr. Fred Walsh—Who built the factories?

Mr. QUIRKE—Who provides the wherewithal for the factories? The total value of exports from South Australia last year was £90,000,000, of which £3,500,000 came from secondary industries. In the main secondary industries use primary products. The imports for secondary industries are paid for by the export of primary commodities. Members are haggling about the small sum that will be covered by this rebate. I will oppose the imposition of succession duties with all the vigour I have. The imposition is vicious and evil, because it hits against the right of families to get succession. It is a different matter altogether from selling houses and building businesses in the metropolitan area. If there were no migration to South Australia, Adelaide would depend for its increase in population on our rural areas. The birth rate in rural areas is always greater than it is in the city. Country people have contributed mightily to the building up of our city. I do not agree that this is class legislation and it is absolute nonsense to say that it is. It gives back a halfpenny where thousands of pounds have been taken. I support the Bill.

Mr. MILLHOUSE (Mitcham)—I support the second reading. The principle behind the Bill is excellent. As Mr. Hambour rightly said, it redeems a promise made prior to the last State election in the Treasurer's policy speech—a policy that was endorsed by the people. I point out that we have a system of succession duties as opposed to estates duties. Instead of a tax being paid on the total amount left by a deceased person duty is paid upon the amount left to individual people. That means that the tax is less than it would be if the tax were on the total amount of the estate, and that is a good system. The principle in this Bill is

different from what is included in the policy of the Labor Party, which refers to increased probate and succession duties on a progressive scale on estates over £6,000 in value.

Mr. Ryan—What is wrong with that?

Mr. MILLHOUSE—In one breath it is said that there should be succession duties and in another there is a reference to estates. Evidently that Party would increase succession duties irrespective of the size of the estate. There seems to have been a muddle somewhere, but that is not the first time such a thing has happened. I asked Mr. Dunstan for his meaning of the definition of "land used for primary production." I was sadly disappointed when he tried to give it because it was obvious from the way he floundered that he really had not the slightest idea what it was all about. Our laws on succession are extremely difficult to follow and to administer. I think he and I would be at one on this matter.

I suspect that it was fiendishly difficult to draft this piece of legislation. Although I entirely agree with the principle behind it, I suggest that its clauses contain imperfections. Far be it from me to set myself up as a draftsman, because I think this is a matter far over my head, but the Government should look at the drafting of some provisions, and then in the less hurried atmosphere of the Upper House it might be appropriate to introduce some amendments. In the definition of "land used for primary production" obviously the words beginning "but does not include land . . ." give exceptions to the land that will qualify for the concession. The definition shows that farming in partnership and farming by means of a family company will not qualify for the concession.

I do not know whether the concession in this legislation goes far enough. You, Mr. Speaker, represent a country electorate and you know more about this matter than I do, but I think I am right in saying that many farming properties are either on the basis of a partnership or a family company, and that does not apply only to large properties but to properties of all sizes.

Mr. Dunstan—Do you say that "or any interest in land . . ." is a new alternative?

Mr. MILLHOUSE—Yes.

Mr. Dunstan—Under that a widow who is a joint tenant would not get an exemption on land she acquired from her husband.

Mr. MILLHOUSE—The last part of the definition says “or as a joint tenant.” I am coming to that matter. Joint tenants or tenants in common do not get a benefit, nor do partnerships. In many cases in this State farms are run as partnerships. It is done for income tax purposes and it is perfectly proper for a person to try to reduce the amount of income tax he has to pay, provided he keeps within the law. By forming a partnership one keeps within the law, and that is frequently done. It seems to me that this definition will exclude partnerships formed, not to avoid succession duties, but to avoid income tax—a perfectly proper and, I think, laudable thing. Is that what we want to do? Often the head of a family owns the land and allows a partnership consisting of himself, his wife and some of his children to use some of that land for farming. As I read this Bill, that land on his death will not receive the benefit of the exemptions.

Further than that, we often find that family companies are formed, not only to avoid succession duties—although that is one reason—but as a convenient way to allow members of the family to have an interest in the whole of one undivided property. This, too, of course will be cut out under this Bill. I do not know if that is the purpose of the amendment or if the House thinks it is a good thing for them to be cut out, but the benefits bestowed by this Bill will not accrue to such persons in such circumstances. That means that the benefits we aim to confer, and with which I wholeheartedly agree, will not be nearly as widespread as we may think. I do not wish to talk on the technicalities of the matter; as I have said, the unhurried atmosphere of the Upper House may be better for that than here, but I have just pointed out these difficulties in the definition. New section 55g is quite meaningless to me. It provides:—

No rebate shall be allowed under this part unless the Commissioner is satisfied that the land used for primary production in respect of which the application for rebate is made is of such a size and in such a condition and the circumstances are such that the said land is capable of being used for the business of primary production.

That seems to me to be entirely circular. The Commissioner must be satisfied that the land used for primary production is capable of being used for primary production. A building block would not be land used for primary production.

Mr. Dunstan—It would if used for primary production.

Mr. MILLHOUSE—But let us remember that to get the benefits of this part it must be the business of primary production as defined in new section 55e.

Mr. Dunstan—What if he sells some honey off his block?

Mr. MILLHOUSE—I will not have that. It does not seem to me that that clause carries the matter any further, although it does not do any harm. New section 55h (2), which requires a declaration to be made, does not seem to carry it much further, as the intention of the person can be changed as soon as the declaration is made. How long does it have effect? What happens if there is a genuine change in intention? Nevertheless, I would not venture to amend these things, as this matter is far too technical for me, but I suggest they are pitfalls that perhaps need investigating. As members may have seen, I have an amendment on their files. It is purely a technical matter and I shall not, of course, abuse the privilege of the second reading debate to go into it now, although it does not need much explaining. With these few remarks and, perhaps, the words of warning I have given, I heartily support the second reading.

Mr. LAWN (Adelaide)—I oppose this Bill. I have been very interested to hear the discussion, particularly from the other side of the House. This Bill deals with succession duties on properties worth a considerable amount, even where total succession exceeds £100,000. The Government has introduced this measure on behalf of a certain section of the community, as has been admitted by practically every speaker opposite who has supported the Bill. I am very much concerned with the people in the community. In listening to the reasons advanced on why we should grant this benefit to large landowners in the country, I was reminded that ever since this State has been a State, and even before that in Great Britain, those who occupied the Government benches, except during the periods of Labor Government, always supported landed interests. That was their base. They changed somewhat in later years as to the right of representation in Parliament, but the base was to represent landed interests. While listening to the arguments advanced by member opposite I was also reminded that not long ago, in reply to a question asked by the Leader of the Opposition, the Treasurer said:—

The Government does intend to raise hospital charges.

I represent the poorer sections of the community that will have to pay increased charges at the Royal Adelaide, Queen Elizabeth and other hospitals.

Mr. Jenkins—They will be increased to everybody, though.

Mr. LAWN—All right, but at the same time the Government is giving a hand-out under this Bill to primary producers so that they can well afford to pay the increased charges. I should like to comment now on some of the statements made by members opposite. The member for Light—"Sitting Bull Light"—this afternoon referred to the member for Wallaroo as "Big Chief Brave Heart," and spoke about his attitude. I do not know if my colleague has spoken, but in reply to "Sitting Bull Light" I will say that "Big Chief Brave Heart" has the courage to say what he thinks in this House and to vote the way he feels and believes. The Hon. "Sitting Bull Light" last night got up in this House in support of an amendment moved by the member for Ridley (Mr. Stott), but, when the Master told him what to do, he voted against the way he had spoken, yet he had the audacity to criticize my colleague about not being in favour of a matter that he supported. "Sitting Bull Light" should go to the district of Wallaroo and see the local member "Big Chief Brave Heart" mix with his clan, with his feathers sticking up, and not be like Sitting Bull Light when he goes up among his clan with his feathers drooping down. More than a hundred years ago the term "squatter" came about in this State when the Parliament of the day passed legislation that people were not to go outside a certain radius from Adelaide to take up land, but some broke this law and took up land; they became known as squatters. They got their friends in Parliament to vote them areas of land free. In this House I told the previous member for Burra, Mr. Hawker, that that is how his grandfather got some of his land and I proved that I was right.

The Hon. D. N. Brookman—The honourable member denied that.

Mr. LAWN—I was here when the honourable member gave his reply and it was to the effect that he had written to the Lands Titles Office and mentioned that his grandfather had paid 10s. a square mile for some of it; and he mentioned various other prices

he paid for other blocks of land. I challenge those on the front bench to deny that he said that there was no record of any price being paid for a certain portion of that land. I did not say all the land that he finished up with, but he received some land free, and he was not the only one. It was granted to him by people who think and act like honourable members sitting opposite. Later on Parliament decided, when this country was progressing, to set up an Arbitration Court system, and the South Australian Government of the day was forced to set up an Industrial Court and Code, in order to protect these landed interests they exempted them from the Code and thus prevented them from obtaining an award from the court. As a result, those working in the rural industries were unable to obtain a court award to give them wage justice, and they are still unable to obtain one.

Mr. Jenkins—What has that got to do with it?

Mr. LAWN—I have said that people who think and act like honourable members opposite gave some of the State free to some people and sought to protect them; and now today members opposite ask Parliament to give further concessions, and then say that they do not look after certain interests. The Party opposite decided yesterday to look after certain interests, and deny justice to honourable members on this side. Members opposite are always looking after certain interests. I represent the poorer section of the community and I am voicing a protest against the introduction of a measure like this when at the same time, even today, a Bill is introduced to increase charges for those forced to go to hospital. The people I represent will have to pay higher charges if they go to hospital. We are now discussing a Bill introduced by the same Government to grant to those people who have been protected ever since the State was founded greater concessions if they should die leaving land worth more than £100,000. The rich get richer and the poor get poorer. Mr. Dunstan has said that many people in his district will be unable to pay succession duties upon the death of the husband. Possibly I have thousands in my district in a similar position. If I died tomorrow my wife could not pay the succession duties on the property.

Mr. Jenkins—You must have plenty!

Mr. LAWN—"Sitting Bull Light" and other honourable members opposite offered this

afternoon a peculiar reason why we should give relief to a particular section because of inflated values. I bought a block of land for £10 before the war and had a State Bank home erected for £700, and I am still paying for it. On present day values the land is worth £1,200, because the block next door was sold last year for £1,150 and mine is a corner block and would be worth easily £1,200. The house would be worth £4,000 and with the land and furniture would total £6,000 on present day values. However, members opposite are claiming that inflated land values justify this Bill for the benefit of landed interests. Although it cost me £710 to buy a block and build a house, the actual cost to me eventually will be more, because of interest charges. The present day value of £6,000 is an inflated value, and if I died, my wife would have to pay £425 in succession duties; and we just have not got it. She would have to sell the house to get that £425 in order to pay the Government, and yet the Government is asking me to subscribe to this legislation. It is as dirty and filthy as any legislation I have seen introduced in this House. Members opposite set out to protect only one interest all the time, including their own. There is nothing else I want to say, but I wanted to give a clear picture of where members opposite are supporting land interests as well as their own. They have always done it and are still doing it, and so long as they occupy the Treasury benches will continue to do it. It is the pay-off for the present day gerrymander of two members from the country to one from the city. It is an electoral racket. I oppose the Bill and make no bones about it.

Mr. STOTT (Ridley)—There is no need in a Bill of this character for a member to get worked up to any heat, but we should get down to cool reasoning. The principles outlined in the Bill are fundamental, sound and logical. It will apply in effect only in respect of land passing to a beneficiary. If the land is sold, then the proposed reduction in succession duties will not apply. The Bill lays down the principle that farming is a way of life that should be encouraged to continue. Farming is a way of life that is important to any community. In Norway, Sweden and other Scandinavian countries the children are taught at school that if they inherit land they must pass it on in better condition than when they received it. That is an important community spirit. The only fault I have with this legislation—and I am not opposing it—is that it does not go far enough. I thought my friends

on this side of the House would have tackled the legislation in a different manner, and supported legislation that reduces succession duties in order to encourage the inheritance of the land, and then attempted to obtain the benefits, in the same legislation, for the people they represent. However, they have said that they oppose the Bill, and I think that is wrong.

The history of succession duties goes back many years. I think the principle of succession duties is unsound, and I disagree with the member for Mitcham (Mr. Millhouse) who said that where we can tax we should tax. A few years ago there was agitation from an organization that I represent because of a most vicious form of succession duties that operated in South Australia whereby where a farmer died and within two years his property passed to the wife and then the wife died, a double duty was payable. That was vicious and iniquitous legislation, and wrong in principle. The Government altered that several years ago to spread the time between the passing of the two principles, and this was a sound and good amendment.

I hoped to be able to obtain the adjournment of this debate and continue on Tuesday next, by which time I would have been able to work out percentages in relation to the previous amendments and give the House the benefit of that information. Unfortunately, that takes time, and I will not be able to do that because the Government is anxious to get the Bill through. A different set-up exists in the other States. The Commonwealth Estate Duty Act does not provide for any revision or rebate of duty to be made in cases where estate duty has been paid on a property and that property becomes again dutiable following the death of a person who succeeds to such property within a short time.

It is interesting to note that the conference of the Federated Taxpayers' Associations in May, 1956, dealt with this question of estate duty and quick successions. There was increasing evidence of hardship caused by deaths occurring in a family in quick succession. When property passes through the estates of several persons in a short period and is subject to death duties on each occasion, the value of the property can be reduced to a small fraction of its original value. That there is ample justification for relief in such circumstances is now recognized in the legislation of several countries. The United Kingdom and New Zealand are cases in point, and, amongst

the States, New South Wales, South Australia, Western Australia and Tasmania all provide some measure of relief.

Let us have a look at an example. A husband dies and leaves the whole of his estate to his wife. She dies, say within five years, and leaves her estate to the children. The assets of her estate will be the same assets which she inherited from her husband, or at least those that are left after realizing sufficient to pay the death duties on her husband's estate. Two lots of death duties are therefore payable before the children can enjoy the remains of their family inheritance. Where property passes through the estates of several persons in a short period and is subject to death duties on each occasion, the value of the property will be reduced to a small fraction of its original value.

In the United Kingdom relief is granted in the case of land or business passing within five years, and the duty payable on the second death is reduced as follows:—

Second death—

- Within one year of first, by 50 per cent.
- Within two years of first, by 40 per cent.
- Within three years of first, by 30 per cent.
- Within four years of first, by 20 per cent.
- Within five years of first, by 10 per cent.

The New Zealand relief granted is on the same formula as in the United Kingdom, but without limiting the relief to estate comprised of land or a business. The South Australian legislation introduced in December, 1955, satisfies all the requirements for relief in quick succession. Not only does the Act not require

assets passing to be identified, but the reliefs granted are not limited to family successions. The Succession Duties Act prescribed that where property has passed to a successor on or by reason of the death of a predecessor, and the successor dies not later than five years after the first death, a rebate shall be allowed on the duty on all property derived by other persons from the successor.

The New South Wales Government in 1952 imposed death duties on property subject to a life interest which again became subject to duty on the death of the life tenant. Relief was granted in case of life interests as under:—

	Per cent.
Death within 5 years	100
Death within 6 years	60
Death within 7 years	50
Death within 8 years	40
Death within 9 years	30
Death within 10 years	20
Death within 11 years	10

In Western Australia, if property in respect of which any duty has been chargeable and duty paid under the State Act on any occasion becomes liable on a further death of any person within a period of two years from the date when such first-mentioned duty became chargeable, the duty with which such property would otherwise be chargeable on such further occasion is not payable in any case where such property passes to the widow or widower or any parent or issue of any such person who dies.

The following table of figures is illuminating:—

PROBATE AND ESTATE DUTY—TAXATION.

Commonwealth and State collections—

1950-51	1951-52	1952-53	1953-54	1954-55
£	£	£	£	£
19,414,000	23,178,000	26,155,000	28,531,000	31,226,000

Commonwealth Estate duty collections by State, 1954-55—

N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Total
£	£	£	£	£	£	£
3,068,000	4,036,000	806,000	916,000	618,000	170,000	9,614,000

State Probate and Succession Duties, 1954-55—

N.S.W.	Vic.	Qld.	S.A.	W.A.	Tas.	Total
£	£	£	£	£	£	£
9,589,000	6,305,000	2,513,000	1,661,000	1,062,000	472,000	21,612,000

I have a table showing the amounts of succession duty and Commonwealth estate duty that would have to be paid by a widow or one child

under 21 years, and I ask leave to have it incorporated in *Hansard* without my reading it.

Leave granted.

SUCCESSION AND ESTATE DUTY.

Amount of the estate.	South Aust. succession duty (widow or one child under 21).	Commonwealth estate duty.	Total duties.
£	£	£	£
1,000	—	—	—
2,000	—	—	—
5,000	275	—	275
6,000	425	23	448
7,000	575	57	632
8,000	725	91	816
9,000	875	125	1,000
10,000	1,025	159	1,184
15,000	1,775	359	2,134
20,000	2,525	828	3,353
25,000	3,400	1,365	4,765
30,000	4,275	1,837	6,112
40,000	6,025	2,983	9,008
50,000	7,775	4,408	12,183
60,000	9,775	6,047	15,822
70,000	11,775	7,942	19,717
75,000	12,775	8,985	21,760
80,000	13,775	10,093	23,868
90,000	15,775	12,499	28,274
100,000	17,775	15,162	32,937
200,000	40,275	41,839	82,114

Mr. STOTT—I was pleased in 1955 when the Government introduced legislation easing the iniquitous provision relating to a widow who died within two years by extending the period to five years. That brought about a measure of relief. I could discuss probate and succession duties at some length because at times they have been viciously applied. I know of farmers who have been unable, through domestic upsets, to form partnerships or companies with their children, thus enabling them to break down the total amount payable in succession duties.

I remember one man who lived at Balaklava. He came to me mentally distressed when the Commonwealth Government first introduced legislation for provisional taxation when wool prices were high. He had a family of four sons. I suggested that he form a company or partnership with his sons in order to avoid paying so much tax and informed him that otherwise he could involve his family in a serious situation if he died within five years. I told him then that, if he handed the property over, he would have to pay a gift tax of 3 per cent. He went away, thought about the matter, and when he returned told me that the family had conferred and whereas his sons Jack and Alf agreed to a partnership they were concerned because another son drank and liked to race around in motor cars and that, if he became a partner, they would have to

stay home and work while he enjoyed himself and that would create domestic trouble. He was unable to work out a plan and he died. His successors had to pay terrific succession duties.

I believe that this legislation is sound in principle. I do not support the suggestion that it is class legislation. Class legislation to me means selecting people and giving them an extreme benefit that others do not enjoy. The member for Burra (Mr. Quirke) has said that primary producers pay freight both ways and under the wheat legislation the wheat-growers sell wheat at a cheaper price to consumers of bread, but they do not object. That arises from a balanced wheat stabilization plan. However, these people get a little shirty when those they assist oppose the granting of some benefit—as is envisaged in the Bill—to the producers.

For many years I have objected to many of the iniquities of succession duties and have corresponded frequently with the Treasurer, and now the Government has seen the wisdom of easing the legislation. We must do all we can to encourage people to stay on the land and to discourage them from selling properties at inflated values. If a man inherits land he should be encouraged to work that land. Farming is a way of life and we must instil that thought into the minds of our young

people as they do in the Scandinavian countries. This legislation will encourage that. If the land is sold a person does not get the benefit of these concessions. After all, Australia is the producer of the South Pacific. We cannot produce food unless we encourage people to remain on the land. This is the type of thing that will do it. It is far-reaching and far-seeing legislation, with wisdom behind it. I strongly support the second reading.

The House divided on the second reading:—

Ayes (19).—Messrs. Brookman, Coumbe, Dunnage, Hambour, Harding, Heaslip, Hincks, Jenkins, King, Laucke, Millhouse, Nankivell, Pattinson, and Pearson, Sir Thomas Playford (teller), Messrs. Quirke and Shannon, Mrs. Steele, Mr. Stott.

Noes (15).—Messrs. Clark, Corcoran, Dunstan, Hughes, Hutchens, Jennings, Lawn, Loveday, McKee, O'Halloran, Ralston, Riches, Ryan, Frank Walsh (teller), and Fred Walsh.

Pairs.—Ayes—Messrs. Bockelberg and Hall.

Noes—Messrs. Tapping and Bywaters.

Majority of 4 for the Ayes.

Second reading thus carried.

In Committee.

Clauses 1 to 4 passed.

Clause 5—"Amendment of principal Act, second schedule."

Mr. MILLHOUSE moved:—

In new paragraph 6 after "University of Adelaide" to insert "or any University College affiliated therewith."

Amendment carried.

Mr. FRED WALSH—I should like clarification on paragraph (c). I am concerned about the District and Bush Nursing Society. As I read paragraph (c) this society would not be entitled to obtain benefits. Unless I have an assurance on this point—and I do not see how I can unless the wording is altered—I should like to move that the words "full time" be deleted.

The Hon. Sir THOMAS PLAYFORD (Premier and Treasurer)—I will look at this as it may have some bearing in other directions that I do not at the moment appreciate. I suggest that the honourable member allow the Bill to go through Committee today and I will consult with him before the matter is dealt with in another place.

Clause as amended passed.

Title passed.

Bill reported with an amendment and Committee's report adopted.

ADJOURNMENT.

At 5.50 p.m. the House adjourned until Tuesday, November 24, at 2 p.m.